





**A HISTORY OF THE
PEACE CONFERENCE
OF PARIS**

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A HISTORY OF THE PEACE CONFERENCE OF PARIS

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VOL. V

ECONOMIC RECONSTRUCTION AND PROTECTION OF MINORITIES

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EDITORIAL FOREWORD

THE first chapter of this Volume comprises first of all the Reparation and Financial Clauses in the Austrian, Hungarian, and Bulgarian Treaties. The three other parts of this chapter deal with topics common to the German as well as the other treaties, viz. Introduction to the Economic Clauses of the Treaties ; Commercial Policy ; and the question of Enemy Property, Debts, and Contracts. It will be seen, therefore, that the first chapter forms a study of economic reconstruction in Europe generally.

In view of the importance of Reparation to Germany and also of the question of international communications, which affected the Rhine particularly, these two subjects were actually treated in connexion with the German Treaty in Volume II. In order to obtain a complete survey of the economic basis underlying all the Treaties, it is therefore necessary to read these two chapters in connexion with the first chapter in this Volume. The Reparation question was treated in a practically identical manner in both Austria and Hungary, and in each case they were affected injuriously by a too close imitation of the German model. On the other hand, in the case of Bulgaria the Reparation question was treated on its merits, without any hampering or imitative influences, and the result was certainly an original and practical solution of this most difficult of questions. It is probable that in the future this solution of the problem of Reparations will serve as a model for future Treaties, and in the end, therefore, actually become of more permanent importance than the principles of Reparation applied to Germany which were obviously of a very exceptional order. The solutions attempted at the

Peace Conference of other economic and commercial problems probably affect the States of Central Europe more directly than Germany. For their chief object is to make arrangements for harmony and unity in economic areas in which the divisions introduced by political separatism were a necessary result of the Peace settlement. The whole question of Enemy Property and Debts is clearly also of great importance for the future, and involves the three other Enemy Powers equally with Germany, though special arrangements protect private property of old Austro-Hungarian nationals in ceded areas. How far these solutions will be permanent is not to be decided at this moment, but they will certainly have a deep and abiding influence on all Treaties dealing with private property in the future. In view of the importance of all these problems, not only to the historian and general reader but also to the business man, great pains have been taken to secure the best advice in dealing with them, and the Editor considers it fortunate that he has secured the services of two contributors, who themselves took an active part in actually shaping the Clauses of the Treaties which are described.

The second great problem studied in this Volume is that of the arrangements made for the protection of racial and religious Minorities handed over to new Governments as a consequence of the Peace settlement. This is clearly a problem of the greatest importance for the future because it is on the establishment of such guarantees that the future peace, certainly of Central and Eastern Europe, and probably of the world as a whole, essentially depends. It is therefore of the greatest importance to understand what these Treaties attempt to do and how far they are effective and in what way the League of Nations is concerned with them. In this, as in the preceding, chapter of this Volume the chief stress is laid not on the practical working of the Clauses of the Peace Treaties (about which it would be premature to write), but on the actual meaning of the Clauses and on the ideas inspiring those who.

drew them up. In a comparatively short space of time those ideas may possibly be forgotten and will certainly be obscured by subsequent arrangements or alterations. Consequently it is of importance to state now what were the intentions in the first instance.

The second section of this Volume consists of four different Tables and Summaries designed to illustrate various aspects of the Treaties. Table No. 1 (Statistical Tables) gives a summary based on the figures of the Censuses of 1910 of the actual ethnical and statistical details which apply to the Austrian and Hungarian Treaties. In the case of the Bulgarian Treaty no such detail is given because the statistics of the areas actually transferred are much less certain. The statistics actually given are based on the Austrian and Hungarian censuses of 1910 because those were in fact the authorities relied upon at the Conference and were therefore the determining factor in the decisions taken. The next Table shows the execution of the naval Clauses of the Austrian, Hungarian, and Bulgarian Peace Treaties. These Clauses themselves present no principles of special importance which were not already treated in Volume II, Chapter II, Sec. II, in connexion with Germany, and the sole feature of interest is in the way they have been executed. Table 3 deals in some detail with the difficulties affecting the recognition of certain new States and points out that certain new principles have arisen in this connexion as a result of the Peace Conference and of the establishment of the League of Nations. Table 4 gives a complete list of Treaties, Agreements, etc., in force up to the end of March 1921 in so far as they apply to Volumes I-V in this history. It makes evident the lengthy delays which have taken place, and are taking place, in the ratification of many important instruments and agreements, with consequences that are bound to be very serious. The mere table itself is significant and suggests that some more expeditious method will have to be devised in order to avert difficulties in the future. As regards the list of ratifications

the Hungarian Treaty has now come into force on the deposit of the ratification of Japan and of France, and the date of coming into force is 26th July 1921. One important addition to the list of Agreements in force should be made on p. 168. The Protocol of the Court of International Justice signed by all Powers present at the Assembly of the League should be described as in force, for twenty-two States have signed the Protocol. Sweden ratified it so long ago as the 21st December 1920, but no other Power had followed its example even as late as May 1921.¹

The third section in this Volume gives the text of the Austrian, Hungarian, and Bulgarian Treaties. The fourth section gives a series of Documents which are in some cases of more importance than the actual Treaties themselves. Appendix II, for example, includes very interesting agreements as to contributions, etc., in connexion with the Austrian and Hungarian Treaties. It also reproduces General Smuts' famous Reparation Memorandum of the 31st March 1919, and points out that the actual text of the German Armistice in respect to Reparations appears to be still a matter of dispute between British, German, and French Governments, a fact which does not appear to be usually known and has a very important bearing on the interpretation of the Reparation Clauses in all the Treaties. Appendix III gives a complete list of all the important Yugo-Slav Documents ending with the Treaty of Rapallo. Appendix IV gives not only the text of the Treaties for the Protection of Minorities, but also the highly interesting letter of the 24th June 1919 from Clemenceau to Paderewski, which lays down the principles in an informal and very intelligible fashion. It also gives an extract from the language-law now in force in Czechoslovakia which illustrates how these principles are being practically carried out. These Treaties and Documents together will enable the reader to check most of

¹ Admirers of Poland should note with regret that she has not ratified the Austrian, Bulgarian, or Hungarian Treaties.

the statements advanced in the text of Volumes IV and V, and form his own opinions thereon.

Much help has been received from many friends whose services can only be acknowledged in the mass. But the preparation of this Volume, beyond any other, has involved great accuracy in detail for it deals with thirteen distinct Treaties, and with many Agreements and Conventions. This labour implies the consequent consultation of many authorities and the securing of the opinion of experts on important points of fact or in the interpretation of articles of the Treaties. The help thus sought has always been ungrudgingly given and has greatly assisted the Editor. He feels, however, that this place is the appropriate one to mention the name of Miss Lilian Mattingly, who has done invaluable secretarial work for this History, and is responsible for the interesting scheme of arrangement of the Treaties in this Volume. Acknowledgement should once more be made to Mr. T. W. Lamont, whose public-spirited action has made possible publication of these volumes.

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CHAPTER I

ECONOMIC RECONSTRUCTION IN THE TREATIES

PART I

REPARATION AND FINANCIAL CLAUSES IN AUSTRIAN, HUNGARIAN, AND BULGARIAN TREATIES

A. REPARATION CLAUSES IN AUSTRIAN AND HUNGARIAN TREATIES

1. *Germany's General Responsibility for Loss and Damage.* The principles on which reparation was to be exacted from the Enemy Powers have already been discussed in relation to Germany.¹ In the main, the discussions which took place at the Conference proceeded on the basis that Germany was the main and responsible debtor. It was broadly laid down that to Germany was due all the loss and damage to which the Allied and Associated Governments and their nationals had been subjected as the consequence of the aggressive war imposed upon them. The bill to be presented to her was to be a summary of all the items, reckoned according to certain categories laid down in the Treaty, which could be imputed to her and her Allies. To the Reparation Commission, whose composition and functions have already been described, was entrusted the duty of assessing the total amount of liability. The subsequent treaties make it clear that the Allies of Germany share in this general liability.

2. *Share of Austria, Hungary, and Bulgaria in this Liability.* Article 177 of the Austrian Treaty says: 'Austria accepts the responsibility of Austria and her Allies for causing the loss and damage to which the Allied and Associated Governments and their nationals have been subjected as a consequence of the war imposed upon them by the aggression of Austria-Hungary and her Allies.' Article 161 of the Hungarian Treaty is exactly identical in its terms with regard to the responsibility of Hungary.

Article 121 of the Bulgarian Treaty puts the same

• ¹ v. Vol. II, pp. 60-91, 308-18, 340, 343, 351, 389, 395, 397-404, 407-8.

acknowledgment of responsibility in a rather different, and perhaps more practical, form: 'Bulgaria recognizes that, by joining in the war of aggression which Germany and Austria-Hungary waged against the Allied and Associated Powers, she has caused to the latter losses and sacrifices of all kinds, for which she ought to make complete reparation.'

These clauses do not lay down exactly what share of the general responsibility was to be attributed to each of the Allies of Germany. It is true that Article 232 of the German Treaty declares that no claim for reparation can be valid, unless it is for damages not only falling within the specified categories, but also suffered 'during the period of the belligerency of each (claimant) as an Allied or Associated Power against Germany'. There is a similar limitation in Article 178 of the Austrian, and Article 162 of the Hungarian, Treaties. Taken theoretically, these limitations, coupled with the differences in wording of the respective treaties, set up extreme difficulties of interpretation. Innumerable points can be imagined to arise, which were not discussed or determined at the Conference. Many of them are, however, theoretical rather than practical, and will probably never arise.

3. *Three General Questions as to Reparation.* There were three main questions in regard to reparation:

- (a) How much ought each Enemy Power to pay?
- (b) How much can each Enemy Power be made to pay and in what form?
- (c) How will the proceeds be divided by the recipients?

Of these questions the third was no concern of the Enemy Powers, and was therefore not dealt with in the Treaties. By the time the Austrian and Hungarian Treaties were drafted, it had become clear that there would be a wide divergence between the amounts that Germany ought to pay, and the amount that she could pay. If the old Austro-Hungarian Empire had remained in existence, there was a possibility that she might have been able to contribute such a considerable sum, as materially to reduce the financial liability of Germany. But that Empire had been finally shattered and brought to an end by the close of October 1918. At the time of the Conference, Austria-Hungary had disappeared from the ranks of the Allies of Germany. She was represented only by the new Austria and the new Hungary. The Treaties with these countries laid down,

and laid down very properly, that they were the heirs of the old Empire, at any rate so far as responsibility for the consequences of the war was concerned. But, while it was very just and right that the peoples of these two countries should be made to acknowledge their responsibility, it became more and more clear that the sums which they could pay would probably be very limited in amount, and in any case very far below the damages inflicted by the action of the old Empire. A precise answer to the first of the three questions, in the case both of the new Austria and the new Hungary, obviously ceased to be a matter of practical importance. The practical question was how much these countries could be expected to contribute respectively to the general reparation fund.

4. *Misleading Form of Austrian Reparation Chapter, due to imitation of German Treaty.* 'The Allied and Associated Governments recognize that the resources of Austria are not adequate, after taking into account the permanent diminutions of such resources which will result from other provisions of the present Treaty, to make complete reparation for such loss and damage.

The Allied and Associated Governments however require, and Austria undertakes, that she will make compensation as hereinafter determined for damage done,' etc.¹

After reading this article, any one unacquainted with the history of the Conference might have expected to find, on turning over the page, a clear and concise account of the amount to be paid by Austria. But as he reads the rest of Section 1 of the Reparation Chapter, and the Annexes thereto, he will not find this promise fulfilled. He will find a great deal about the Reparation Commission, a great deal about the method of

¹ Art. 178. The phrase goes on 'to the civilian population of the Allied and Associated Powers and to their property during the period of the belligerency of each as an Allied and Associated Power against Austria by the said aggression by land, by sea and from the air, and in general damage as defined in Annex I hereto'. This and Annex I are practically the same as Art. 232 and Annex I of the German Treaty. But as there was no pre-armistice agreement with Austria the legal question, so crucial for the German Treaty, as to whether pensions were fairly chargeable as damage to civilians, does not seem to arise. (Cf. Vol. I, pp. 385, 415-16, 424-6; Vol. II, pp. 249, 399-404, and Keynes, *Economic Consequences of the Peace*, pp. 48-9, v. also App. II *passim*.) This does not, however, affect the question as to how far the Allies were theoretically or morally justified in including 'Pensions' in this category. In practice, however, as will be shown later, the demands work out quite differently.

assessing the claims against Austria, and a great deal about the methods to be adopted for the payment of compensation when it takes place, but he will not find any determination (except in one or two instances to be referred to later) of the amount of compensation to be actually paid. In fact the very next article (179) begins by saying that the 'amount of such damage for which compensation is to be made by Austria shall be determined by . . . the Reparation Commission'. Wherever else the amount of Austrian liability is to be decided, it was not 'hereinafter'.

A great deal has been made by critics of this omission to define exactly the extent of the liability of Austria. These criticisms are not really sound. They are founded partly on misconception, caused by the form and drafting of the reparation chapter, and partly on a lack of appreciation of the essential conditions of the situation. It is remarkable that the Austrian Delegation, who presented their case with very great skill, both financial and diplomatic, devoted a great deal of space to the argument that Austria was in no way responsible for the sins of the Austro-Hungarian Empire, but was practically a newborn and innocent babe; they made, however, very little comment on, and almost no objection to, the reparation clauses as they stand.

As regards the form of the reparation chapter, let it be admitted at once that it could hardly be worse. If good drafting means conveying the exact meaning and intention of the framers, in the fewest possible words, this chapter is very badly drafted. It would be easy to redraft the whole chapter in a very few clauses without altering its effect. The present chapter is cast in the mould of the German Treaty, which is not at all appropriate to the conditions of Austria. But though the form is alarming, there is nothing terrifying in the substance. The chapter is really a lamb masquerading in wolf's clothing.

The reason for this lies in the history of the Conference. As soon as the German chapter on reparation was completed, its authors set to work with commendable speed to frame the Austrian chapter. The German chapter was the outcome of long and exhausting negotiations. It appeared to be perfectly natural to take that chapter as a model, and to extend the powers of the Reparation Commission to Austria, giving it

the duty of forming a section specially constituted to deal with Austria. It was easy to take the view that what was fair to Germany would also be fair to Austria. Time pressed, and the prospect of a repetition of all the long-drawn-out German discussions, if the Austrian Treaty were to be drafted on a new model, was not alluring to tired delegates, already freely accused of undue delays.

Moreover, it must not be forgotten that in the minds of some of the Allies, it was Austria-Hungary, not Germany, who loomed largest. It was the domination of Vienna and Budapest, and not Berlin, under which the people of the new States arising from the old Dual Monarchy had groaned. It was Austria-Hungary who had overrun Serbia, and also fought against Italy. In Italian eyes, in spite of the years of the Triple Alliance, Austria was still the hereditary enemy. The Empire had vanished, like a bursting bubble, but its heirs remained. Vienna was still Vienna. It was difficult to see the new Austria and the new Hungary as they really were. It seemed unreasonable that Austria-Hungary, even though represented by fragments, should receive punishment on a scale different from that prescribed for Germany. As it turned out, it would probably have saved trouble in the end if the Conference had decided to redraft the Austrian reparation clauses entirely at an early date in the negotiations. But it was not done. All the alterations that were made in the substance of the chapter, and they were very numerous, had to be grafted upon the German model. In the end, although the outward frame remained, the substance was very much changed, and became very much more suitable to a country in the position of Austria.

5. *No lump sum fixed ; Austrian capacity to pay.* One main point, however, was not changed, and that was that the actual sum to be paid by Austria was left over to be settled by the Reparation Commission after the 1st May 1921. This is the main point of the criticisms passed upon the chapter. Beyond a doubt it would have been to the benefit of all parties could the liability of Austria have been fixed at a reasonable amount bearing a due relation to the capacity to pay : or at a maximum figure coupled with proper machinery for reducing the amount. It is hardly necessary to point out the advantage to any who wished to enter into relations, financial or commercial, with Austria or her nationals, of a fixed basis for calculating her

liabilities. Uncertainty on such a point is a grave bar to intercourse. The wisdom of such an arrangement was as clear to the Conference as to any of their critics. It was not done, for the reason that it was not possible to do it within any reasonable time.

Take first the capacity of Austria to pay. Any estimate would have to start from a basis of the revenue and trade of that part of the old Austria which now composed the new Austria. But so many allowances would have had to be made that this basis became almost worthless. The capital city of Vienna depended mainly in the past on her position as the financial, commercial, transport, and governmental centre of an Empire. Who could foretell the results for her of the break-up of that Empire, and her descent to the position of a provincial capital? The calculation, to be rightly made, ought to be postponed till the boundaries of the new State had been finally settled, and till the exact results of the financial and economic arrangements could be known. But some of these very points were among the most crucial in the discussion of the Treaty itself. Then, too, allowance would have to be made for the results of the war on the condition and productivity of the people. All the reports that came from Austria, and they were numerous, and from very varying sources, agreed in describing the condition of Vienna and the neighbourhood as nearly desperate, through the lack of the ordinary necessities of life. It was not a question of how much Austria could pay, but how she could possibly obtain the necessary credits, or even charity, to keep her people in existence. But there was no reliable information as to the condition of the rest of the new Austria, or the prospects of development under a new régime. The first year after an unsuccessful war is not the time for exact calculations. It was not surprising that the Conference, with so much else to settle, refused to deal with the capacity of Austria to pay.

Once the factor of capacity was removed, the settling of the amount of reparation became purely arbitrary. After long and patient negotiations, protracted till after reparation had ceased to be a burning question in the various Allied countries, it might have been possible to arrive at a reasonable figure for a maximum, but not within the year 1919. Italian, Yugo-slav, and Rumanian delegates could not agree to figures which

would have satisfied the English or American. People returning to the still smoking ruins of what were once their homes cannot be expected to take a reasonable view of the plight of the aggressor. Too high a maximum would have been a deadly blunder. It was far wiser to postpone the task to cooler times and a specially appointed Commission, and to leave some ray of hope to the unfortunate Austrians.

6. *Disposal of Ships and Cattle.* The only points in which anything absolutely definite is laid down as to reparation, are ships and cattle. As regards ships, the Austrian Government binds itself in Annex III to cede to the Allied and Associated Governments the property in all merchant ships and fishing boats belonging to nationals of the former Austrian Empire, and to deliver to the Reparation Commission all the said ships and boats within two months of the coming into force of the Treaty. Austria is also bound to hand over certain inland navigation vessels. As Austria is now an inland country, it is difficult to suppose that she retains many sea-going vessels in her possession, or that of her nationals. In so far as these vessels belong to old Austro-Hungarians who are not now Austrians or Hungarians, it appears to be left to the Reparation Commission to indicate the measures that the Austrian Government must take to ensure that the ships shall be placed at its disposal.

In Annex IV is laid down the number of cattle, horses, etc., which are to be handed over to the Italian, Serb-Croat-Slovene, and Rumanian Governments respectively, within three months of the coming into force of the Treaty. These cattle were a very hot subject of discussion at the Conference. Many people urged that it was ridiculous to send cows out of Austria, when Vienna was absolutely destitute of milk, with children dying for the lack of it. To this it was replied that some districts in these three countries were actually in as bad a condition as Vienna, owing to the carrying off or slaughter of their cattle during the war: that some of these very cattle were actually now in the country: that in any case parts of Austria which could not, owing to lack of transport, supply Vienna were actually full of cattle, and their being taken away would not affect Vienna or other centres of population one way or the other. As a compromise the number of head originally demanded was very much cut down. None have yet (March 1921) been delivered.

7. *Discretion and Powers of Reparation Commission.* Practically, then, everything is left to the discretion of the Reparation Commission, whose powers, functions, and duties take up great part of the chapter. As the Commission is the same as that set up in the German Treaty, these are merely a repetition of the corresponding clauses, and need not be dealt with *seriatim*. It is important to note that a special section is created for Austria, but its decisions are not final, unless confirmed by the Commission, except when the Commission has definitely delegated authority to it (Article 179). Annex II lays down the composition of this section. America, Great Britain, France, and Italy are each to be represented upon it with two votes. Greece, Poland, Rumania, the Serb-Croat-Slovene State, and Czecho-Slovakia, are to have one delegate to represent them all. He is to be chosen annually from the nationals of each of the five Powers in turn. This delegate will also have the right to sit and vote on the main Commission, when questions relating to Austria, Hungary, or Bulgaria, are under discussion.

As a result of the way in which the Treaty is drafted, it is never expressly laid down that the Reparation Commission is to fix the amount to be paid by Austria, but there can be no doubt that this is implied. It is to consider the claims (Article 179) and give the Austrian Government a just opportunity to be heard. It shall 'concurrently draw up a schedule of payments prescribing the time and manner for securing and discharging by Austria, within thirty years dating from May 1, 1921, that part of the debt which shall have been assigned to her after the Commission has decided whether Germany is in a position to pay the balance of the total amount of claims presented against Germany and her allies and approved by the Commission'.

By Article 233 of the German Treaty, the findings of the Commission as to the total amount of damage are to be notified to the German Government on or before the 1st May 1921. It is plain that the reparation debt of Austria cannot be fixed before that date. The date is an important one, because of the provisions of Article 180 and Annex II, 12 b, of the Austrian Treaty. 'The Reparation Commission shall, after May 1, 1921, from time to time consider the resources and capacity of Austria' (Article 180). 'In periodically estimating Austria's capacity

to pay' (Annex II, 12 b, par. 1, in evident allusion to Article 180), the Commission is to examine the Austrian system of taxation, so that the sums due for reparation may be a prior charge to the service of any internal loan, and to satisfy themselves that the taxation of Austrian subjects is fully as heavy as that of Allied Nationals. The second paragraph of 12 is a later interpolation, and is very important. It states that 'in fixing the final amount of the obligations to be imposed on Austria' the Commission shall take into account (1) 'the actual economic and financial position of Austrian territory as delimited by the present Treaty and (2) the diminution of its resources and of its capacity for payment resulting from the clauses of the present Treaty'.

From these clauses taken together no other conclusion can be arrived at than that the amount of reparation for which Austria is to be finally liable is to be fixed by the Commission, after the 1st May 1921, in reference to her actual capacity to pay. It is also to be remarked that this question is not among those mentioned in Annex II, 13, which have to be decided by a unanimous vote. The manner and times of payment will then be decided by the Commission in the rules laid down by the Treaty, which do not differ from those in the German Treaty.

Article 181 lays down that Austria is to pay, *before the 1st May 1921*, a reasonable sum, to be determined by the Commission, 'whether in gold, commodities, ships, securities or otherwise', but that 'out of this sum the expenses of the Armies of Occupation subsequent to the Armistice of November 3, 1918, shall first be met, and such supplies of food and raw materials as may be judged by the Governments of the Principal Allied and Associated Powers essential to enable Austria to meet her obligations for reparation may also, with the approval of the said Governments, be paid for out of the above sum. The balance shall be reckoned towards the liquidation of the amount due for reparation.'

The expenses of the Armies of Occupation are really negligible, and, as the resources of Austria, realizable within the period named, are below the sums necessary to pay for the supplies of food required to keep her people in existence, not to speak of raw material, this article has no importance in relation to the amount of reparation to be paid. The same general

remark applies to the provisions of Annexes IV and V as to the extent to which Austria will 'devote her economic resources directly to the physical restoration of the invaded areas of the Allied and Associated Powers', by actual supply of animals, machinery, reconstruction materials, etc., or options on raw material. In all these cases the Commission is to have the decision as to amounts, etc., and is to consider the capacity of Austria to furnish the supplies, and her industrial requirements in the matter of raw materials. Annex VI provides that Austria renounces all rights in submarine cables (1) connecting Italian territory, in favour of Italy, (2) connecting ceded Austrian territory with that of the various Allied and Associated Powers, in favour of the Principal Allied and Associated Powers. The value of all such cables is to be credited to Austria in the reparation account.

It may be questioned whether the final fixing of a definite sum to be paid by Austria would not cancel all other reparation obligations in the Treaty, with the exception of the abandonment of all rights in shipping and submarine cables, the delivery of certain animals, and the obligation to bear the expenses of the Reparation Commission (Article 186). In any case, it would still be in the power of the Commission to fix the method and times of payment.

To sum up, the general effect of Section I of the reparation part may be expressed as follows: the amount of reparation to be paid by Austria will be fixed by the Reparation Commission or by its special Austrian section after the 1st May 1921, having regard to her capacity to pay. If any of her assets can be realized before that date, the proceeds may be applied to providing such amounts of food and raw materials as may be deemed necessary for Austria, and only the balance will go to the reparation fund. The Commission will have wide powers in settling the form and times of payment. It can hardly be maintained that this part of the Treaty bears too heavily upon Austria, if it is interpreted in the spirit which runs through many of the clauses quoted above. •

8. *Records and Archives.* Section II of this part (Articles 191-6 with the Annexes thereto) contain a number of interesting provisions for the handing over of records and archives, made necessary by the creation of new and independent States, and for the restoration of various objects of literary, artistic, or

historical interest, to the heirs or successors of their former owners. It would take almost a separate volume to explain the history and significance of the articles, the restoration of which is stipulated in the three annexes of this section. These must be read in detail to be appreciated. Considering how the plunder of an Empire has been collected at Vienna over such a long period of time, the list of articles demanded by the various Allies does not appear anything but moderate and reasonable.

9. *Reparation Clauses in Hungarian Treaty.* The reparation clauses in the Hungarian Treaty are practically identical with those in the Austrian Treaty. The only exception is in Annex IV(6) of Section 1. It was felt that in view of events in Hungary, especially the Rumanian occupation, it was impossible to fix the number of animals to be delivered by Hungary within three months of the coming into force of the Treaty. It was accordingly left to the discretion of the Reparation Commission to decide what those numbers should be, after lists of their claims had been submitted by the various Powers interested.

When the Hungarian Treaty was in process of settlement, it was generally recognized that the Austrian clauses might well have been more clearly and concisely expressed. A good deal of discussion took place as to whether a change was expedient, but in view of the very parallel position of the two countries, it was decided that the same form must be adopted for both. It was even more difficult to fix a definite amount of reparation in the case of Hungary than in the case of Austria. Added to all the other factors of uncertainty, Hungary, though perhaps better situated economically than her neighbour, had suffered from a period of communistic domination under the régime of Béla Kun, and this was followed by the Rumanian occupation. Without expressing any opinion as to the action of the Rumanian Armies, these two events were sufficient in themselves to make any calculations as to Hungarian capacity to pay exceedingly uncertain, and the Conference was well justified in its action.

10. *Reparation and the Liberated Territories.* The reparation parts of the Austrian and Hungarian Treaties do not contain the whole story of the contributions to be paid to the reparation fund by the different parts of the former Austro-Hungarian

Monarchy. To complete the tale, we must refer to certain Agreements now published, viz. the Agreement between the Allied and Associated Powers with regard to the contributions to the cost of liberation of the territories of the former Austro-Hungarian Monarchy, and the Agreement between the Allied and Associated Powers with regard to the Italian reparation payments, both signed at Saint-Germain-en-Laye, 10th September 1919.¹ These have escaped public attention, and were not even mentioned in Parliament in the debates on the ratification of the Austrian Treaty, but they are very interesting and important.

When the Conference assembled, the broad lines of the division of Austria-Hungary had been already laid down. Many important and difficult boundary questions remained for decision. The Conference could give a proper birth-certificate to the new nations of Poland and Czecho-Slovakia, and the new kingdom of the Serbs, Croats, and Slovenes; it could give proper legal title to the expansion of Italy and Rumania at the expense of Austria-Hungary. But it could not alter the general facts of the new distribution of territory. Those new facts were due to the war and the spontaneous action of the people of the territories concerned. The representatives of the new nations, Poland, Czecho-Slovakia (except the Serb-Croat-Slovene State, which appeared for some time as Serbia),² and of Italy and Rumania, appeared at the Conference with the full status of Allies. As Allies, they all presumably had claims for reparation, if those claims fell within the required categories and satisfied the other necessary conditions. But the responsibility for the war, though in different degrees, fell upon all the constituent parts of the old Dual Monarchy. The whole Empire had taken part in the war at its beginning and for some time after. Some indeed of those, who were now numbered as Allies, had fought, and fought gallantly, for Austria-Hungary and Germany until the end. It was contrary to the whole foundation of the reparation idea, that all liability should be

¹ v. App. III.

² Poland and Czecho-Slovakia were recognized on the 18th January at the First Plenary Session of the Conference. The Serb-Croat-Slovene State was recognized by the United States on 5th February, by the Conference implicitly on the acceptance of credentials 1st May, by France (2nd June) and British Empire (6th June) explicitly, and, despite no avowed recognition by Italy, explicitly in the Treaty with Germany signed 28th June 1920.

lifted from the shoulders of certain parts of the Empire because of a conversion which was more or less of the nature of a death-bed repentance. By all the rules of international law, broadly speaking, a successor State is liable for the debts contracted by its predecessor. How far was this responsibility to be affected by the new status of the debtors as allies in conference and by other considerations? The question was a delicate one. It touched very nearly the natural susceptibilities of the States concerned. They could hardly be expected to acquiesce in being treated on the same lines as Austria and Hungary. Such a course would have been inconsistent with the dignity of national sentiment. Italy, for example, maintained that the territories to be ceded to her were in the same position as Alsace-Lorraine in respect of France, a fragment of Italy rescued by her action in the war from a long subjection to the domination of a foreign Power. The Rumanian argument, though not quite on all fours with the Italian, was similar in kind.¹ Serbia pointed to her immense sufferings during the war. All of them firmly believed that it was largely due to their own efforts from within the Empire that the war had been brought to a successful close. Czecho-Slovakia, in particular, insisted that her representatives had long ago given due notice of their intention to separate, that their participation in the war had been forced upon them, and that therefore the full doctrine of succession could not apply.

Moreover, the question was inextricably bound up with the discussion which was simultaneously proceeding as to the distribution of the financial burdens of the late Monarchy among its constituent parts, responsibility for pre-war debt, war debt and currency, and also the division of the property of the joint and separate Governments of the old Austria and Hungary (Austria, 208). Too logical an insistence on the doctrine of succession might commit the new States to an acceptance of full responsibility for the Austrian and Hungarian war-debt. This debt had reached the most alarming proportions. It would clearly be wrong to start the new States on their career with a burden hanging about their necks, so great as to hamper them in every direction, and possibly to force national

¹ This argument does not seem in accordance with President Wilson's addresses in 1918, which form the legal basis of the German Treaty. *Point 8*, dealing with Alsace-Lorraine, draws a clear distinction between this case and others. *v.* Vol. I, p. 434; Vol. II, pp. 389-90.

bankruptcy upon them as the only escape from an intolerable position.

11. *Contributions to be made by Czecho-Slovakia, Yugoslavia, Poland, and Rumania.* To give sufficient weight to all these considerations and others of a like nature, and to arrive at a just and equitable solution was a sufficiently difficult task, but that was not the whole problem. This was not a matter of imposing just terms upon a beaten enemy. There could be no question of attempting by any kind of forcible pressure to coerce into agreement five nations, who were all Allies, and one of whom was numbered among the Principal Allied Powers. Any settlement, agreed to by the delegates as just and reasonable, had also to be in such a form as to be acceptable to the Parliaments and public opinion of their respective countries, very sensitive to any supposed infringements of their sovereign rights or to any supposed slight on their national dignity. It was small wonder that the negotiations were long and difficult, and several times appeared to have arrived at a complete and final deadlock. Nevertheless, a solution was found. The Conference discarded all attempt to proceed on any distinct doctrinal lines, or to settle the principle of the law of succession. They put all theories on one side, and came down to facts and figures. First of all it was conceded that the Italian provinces, without deciding the exact appropriateness of the Alsace-Lorraine parallel, were entitled, on historical and other considerations, to be dealt with separately from the other parts of Austria-Hungary. The objection of the four countries, Poland, Rumania, the Serb-Croat-Slovene and the Czecho-Slovak States, 'States to which territory of the former Austro-Hungarian Monarchy is transferred, and States arising from the dismemberment of that Monarchy,' to pay reparation, was accepted. But they agreed to make a contribution towards the expenses which had been incurred by the Allies in liberating the people of the said territories. The amount of this contribution was fixed at 1,500,000,000 (fifteen hundred million) francs gold, equal to about 60,000,000 English gold sovereigns, with the proviso that Czecho-Slovakia should not in any case pay more than half that amount, but that, if her share came to more than that, calculated on the basis laid down, the remaining States were not to be responsible for the balance. The contribution was to

be divided between the States in the proportion of the contribution to the revenues of Austria-Hungary of the territories affected, during the three years immediately preceding the war, on the basis of certain taxes, viz. those selected by the Reparation Commission as affording the best representation of their capacity to pay, when settling the distribution of the pre-war debt. In order to avoid undue financial pressure on the States during the early years after the war, all payment on account of this contribution, as well as on account of any property and possessions of the former Austro-Hungarian Monarchy, was to be deferred till 1926. In that year bonds representing the total amount of these two liabilities were to be handed over to a body to be designated by the Governments of the four Principal Allied and Associated Powers. The bonds were to be five per cent. bonds, repayable in twenty-five equal annual drawings, beginning on the 1st January 1931. Finally, 'as and when payments on such bonds fall due, the Reparation Commission shall retain, against the sums due to each of the states concerned for reparation, the sums required for interest and amortization.' That is to say, whenever payments were due from any of the four States on account of these bonds, they could make these payments by foregoing the same amount due to them for reparation.

12. *The Italian Contribution.* The Italian contribution is to be on the same lines, but its amount is calculated on a different basis. It is to bear the same proportion to the total sum contributed by the four States, as the revenue of the Italian provinces bears to the total revenues of the rest of the former territories of the Austro-Hungarian Monarchy, calculated on the basis of the same taxes for the same period. The Italian agreement, it should be noted, contains a statement of the reasons which induced Italy to make this arrangement. In Article 1 she declares that she agrees to contribute to the expenses of liberation 'with the object of facilitating an agreement between the States . . . as to the contribution to be made by them towards the cost of liberating the territories . . . and of reparation', in spite of the fact that 'she has made the greatest sacrifices and borne the heaviest financial burdens in the war', and 'that, in addition, the territories ceded to Italy have sacrificed, as a result of the Treaty of Peace with Austria, a large proportion of their wealth, and that they have already

contributed in other ways to the reparation of the damage caused by the war in which they have so cruelly suffered'.

13. *Summary.* , On the other hand, in return for these agreements, some concessions were made in the financial clauses. Under Article 208 the successor States had to pay for all property situate within their territories belonging to the former or existing Austrian and Hungarian Governments. Certain exceptions were made, especially all schools and hospitals, and also the forests belonging to the former kingdom of Poland. It was also agreed that the revenues of Bosnia-Herzegovina were not to be included in calculating the proportionate shares of contribution.

There could hardly be a better proof of the mutual goodwill and toleration prevailing among the Allies than the successful termination of these discussions. The subject was one bristling with thorny points and opportunities for difference. It touched in principle the vital interests of all concerned. In the case of those Powers whose claim to reparation could not be a great one compared to others, notably Czecho-Slovakia, the contribution was very substantial. Too much praise cannot be given to the representatives of the five countries, and especially perhaps to those of Italy and Czecho-Slovakia, for the breadth of view and large vision which enabled them to take the unselfish course of sacrificing their more apparent immediate interests for the benefit of the whole community of nations.

B. FINANCIAL CLAUSES IN THE AUSTRIAN AND HUNGARIAN TREATIES

1. *General.* Under modern conditions, the rearrangement of the financial relations necessitated by the break-up of an Empire would be extremely intricate and difficult, if the dismemberment of the Empire were a matter of mutual consent and carried out with all the advantage of a leisurely constitutional procedure. Even the financial clauses of an Irish Home Rule Bill need much careful preliminary inquiry and thought to settle. But when the dismemberment is the result of a war, and when some of the new States are still inflamed by the passions of conflict, and swayed by resentments and prejudices belonging to the past era, the intricacies and difficulties are redoubled.

Before the war Austria and Hungary were completely separated in matters of revenue and finance. Each contributed in fixed proportions to the joint services of the Monarchy, such as the army and navy, but each had her own separate debt, and her own separate revenues. The administration of Bosnia-Herzegovina was a joint affair, but its expenses were separately shared by each of the two countries. The only financial institution common to both was the Austro-Hungarian Bank, which had the privilege of the note-issue. Each Government was therefore completely responsible for the whole currency in a sense, but actually the Government concerned deposited their bonds as security for the notes in the same proportion as that fixed for the revenue contributions. This dual constitution would have very much simplified the rearrangement if the new States had been carved entirely either out of Austria or out of Hungary ; but this was not the case, and it was therefore an added complication.

2. *The Main Points ; question of a uniform International Currency.* The chief questions to be settled, or at least to be placed in a fair way of settlement, were the allocation of the debt, both the pre-war and the war debt, as to which very different sets of considerations arose, the currency and the status of the Austro-Hungarian Bank, and various other points regarding the allocation of State property, railways, etc., and contracts relating thereto. A great deal of criticism has been expended on the financial and economic parts of the Treaty, mainly on the ground that they did not provide some system of international currency and international trade, which should have preserved the good points of the Austrian Empire, whilst eliminating its bad ones. Beyond a doubt the various new countries which have arisen from the wreck of the Dual Monarchy are suffering now from the difficulties arising from the interruption of free commerce, and the complications of new currencies. A uniform currency and a free exchange of goods among the various nationalities comprised in the ring were great material advantages. A wise Conference, it is said, would have preserved these advantages, and added further improvements ; unfortunately, they missed a unique opportunity of settling the financial and economic relations of a great part of South-Eastern Europe upon sound and permanent foundations.

It may be so. Whatever shortcomings those who framed the twenty-five financial articles of the Treaty possessed, they did not imagine themselves to be the wisest of mankind, and they may, therefore, have let the unique chance pass by of arranging a common currency, irrespective of the new boundaries. Let us examine the question a little more in detail. It is very easy to see one mountain top from another, but if you have actually to travel from one to the other, the distances may be so great and the difficulties of the intervening country so many, that you may never get there with the resources you have at hand, or only in so long a time as to make your journey useless.

Take first *Italia Irredenta*, now redeemed. The Italian Kingdom could hardly be expected to give up its existing financial system to become part of another, nor could it consent to two different currencies prevailing within the limits of its whole territory as now expanded. Therefore the portion of the old Austrian Empire obtained by Italy would have had to be eliminated from the uniform currency scheme.

The new system would therefore apply to Poland,¹ Czecho-Slovakia, Rumania, Yugo-slavia, Austria, and Hungary. Of these, Rumania had her already old-established currency, the *lei*, Serbia had the *dinar*. Neither country, but more particularly Rumania, could have been expected to give up her existing system without a great deal of persuasion. Czecho-Slovakia had already taken steps, some of a very drastic kind, to establish her own currency. So had Yugo-slavia. Both countries set especial store on their own currencies, partly as an expression of their own independence. Poland, with some eight different currencies at the time of the armistice, had her principal difficulties outside the old Empire, and even the most enthusiastic supporter of the theory that 'if the Austrian Empire had not existed, it would have been necessary to invent it', might hesitate before including German and Russian Poland in the new financial ring. In reality Austria and Hungary alone were the only two upon whom the new system

¹ Poland is not mentioned in the preamble, but she is mentioned by name in Arts. 80, 195, 208, 224 (Austria), and is not only 'one of the States to which territory of the former Austro-Hungarian Monarchy is transferred', but, what is more important, 'one of the States arising from the dismemberment of that Monarchy,' Arts. 205-7 (Austria).

could have been imposed within any reasonable time. In both their cases the matter had become immensely complicated by the use of the printing-press since the armistice, resulting in a large issue of notes, for which it was unjust as well as impossible to make the other countries responsible.

It would, to say the least, have taken a very long time to procure the acceptance by so many divergent interests of a reasonable scheme of international currency. But that reasonable scheme had also to be devised. It was not in existence, and could not be in existence till the conditions of the countries to which it was to apply had emerged from the obscurity of war conditions. Meantime, the countries concerned were in existence as independent States, with an actual and pressing need for a currency of some kind. They could not wait for the birth of the ideal scheme. Their conditions were changing hour by hour. What might have been a good scheme in January would have been completely out of date in June. It would have been disastrous for European peace, if the Conference had refused to recognize the facts of the situation, and endeavoured to impose a complete scheme of currency, or indeed any other financial or economic arrangement. They rightly confined themselves to settling those questions, to which an answer was imperatively demanded by the break-up of the Empire, such as the responsibility of the new countries for the already existing notes, to clearing the ground as far as possible, and leaving it free for any future developments, which necessity or policy might lead the new countries to desire.

3. *General considerations.* The great and absorbing pre-occupation of a Peace Conference is, or ought to be, to make peace. Until peace is made, the state of war continues; an armistice is not peace; and every day that the state of war continues is an untold misfortune to all concerned, even though fighting has ceased. The urgent necessity is to bind up the severed ties, to set going once more the current of life between countries, which was blocked by the war, and to do it as quickly as possible. It is necessary to insist on this truism, because it is so apt to be forgotten by brilliant and inventive critics. A Conference must aim at the possible, not the ideal. Otherwise it will dissolve in long academic discussions, and lose sight of its practical object. It is fatal for it to be ambitious. If it can make peace quickly, and at the same time do nothing to

prevent future development on sound lines, it has done a very great deal, and as much as can be expected of it. Some people expect too much of a Conference, and bitter disappointment is the inevitable result. In matters financial and economic there is no finality. Boundaries can be fixed, and if they are rightly fixed, can be expected to endure for a considerable period, and to become part of the permanent framework of nations. Even if the boundaries are badly drawn, it often happens that they become accepted. But economic and financial relations cannot be fixed with the same definiteness and permanence. They are constantly growing or changing. No treaty, which deals with such matters, can do more than mark a certain stage, adjust difficulties which have already arisen, and give a fair opportunity to the future to develop on good lines.

Further, economic and financial facts are very much more stubborn than facts about boundaries. They can seldom be altered to taste, and if ignored in a treaty are very apt to make that treaty null and void. It was argued by the Austrian Delegation that the general effect of the Austrian financial clauses would be to make Austria bankrupt, and this view was supported to some extent by other authorities. The answer was that in the distribution of the liabilities and assets of the Dual Monarchy among its constituent parts, Austria was given the share that was justly hers. If, in the end, she was not in a position to meet her liabilities, the bankruptcy that followed would not be caused by the financial clauses, but by Austria's past history.¹ It was the aim of the Conference to make such an arrangement as should be fair to all the parties concerned, and, if bankruptcy was an inevitable consequence, at least to make that bankruptcy as far as possible an internal and not an external bankruptcy. If Austria were really bankrupt, no treaty could make her otherwise, except by imposing her obligations upon other people, in fact, by imposing them upon the Great Powers, for the new States arising from the Dual Monarchy were clearly unable to bear more than their own fair share without themselves falling into bankruptcy, or at least without being unfairly handicapped in their new start of life as independent powers. It was plain that this alternative was well understood

¹ It might be argued, of course, that it was the duty of the Conference to prevent any State from becoming bankrupt in the interests of general peace.

by the Austrian leaders. Their real contention was that the Great Powers should take over the financial control of Austria. It was natural enough that they should endeavour to shift the burden of responsibility for the financial and economic troubles of Austria to Allied shoulders. As in the case of reparation, so in the case of responsibility for war debt and the like, they argued that the new Austria was an entirely new creation, which could not justly be burdened with the liabilities of its predecessor. The plea was rightly rejected. Nor, even if the Allies had possessed the spare resources necessary for the reconstruction of Austria and the guarantee of her debts, would it have been a wise policy to devote them to this object. The new Austria will have no chance of continuance, unless she can boldly face her own responsibilities; if she is bankrupt, as may well be the case, in the face of her own internal creditors, she must apply the knife boldly, and make the best terms which she can, having regard to the interests of her country as a whole. If she can so do, and meet her external obligations, which ought not to be too great a burden, she may yet be able to emerge from her difficulties with undiminished credit.

4. *Allocation of pre-war debt.* In settling the distribution of liabilities the Conference adhered to the principle, long recognized in international law, that, when a State is divided, each portion so divided shall assume its proportionate share of all debts duly and properly contracted by the whole community before the date of separation. The sanctity of contracts duly made, whether between States or individuals, is the basis of the financial part of the Treaty, but it is recognized that the benefit of such contracts, if made between enemy States or nationals of enemy States, may be transferred to the Allies for purposes of reparation, leaving the enemy States concerned liable to make compensation to those suffering by the transfer. The debts of the Austrian Empire (and the same applies to those of the Kingdom of Hungary, as well as to any joint debts of the whole Dual Monarchy) fall into three main categories: (a) those contracted before the outbreak of war on the 28th July 1914, both secured and unsecured, (b) those contracted between that date and the 27th October 1918, (c) those contracted since the 27th October 1918, by Austria (or Hungary) in the name of the Austrian Empire (or the Hungarian Monarchy), but really to the benefit and for the use of the new Austria (or Hungary).

No doubt was felt as to the debts coming under (a). They were the legal obligations of the whole Empire, and as such had to be divided proportionately between the new constituent States. The only exceptions to this rule recognized in the Treaties were the securities deposited by the Government with the Austro-Hungarian Bank as a guarantee for the currency notes issued by that Bank, and any liabilities of the former Austrian Government incurred prior to the 28th July 1914, other than those evidenced by bonds, bills, securities, and currency notes. As to the securities deposited with the Bank, these are dealt with separately: they are not issued to the public, and come under a heading different from ordinary debts. The second exception, though perhaps theoretically unsound, was a practical necessity. If any bills of the former Austrian Government incurred prior to the 28th July 1914 remained unpaid at the end of the war, they must be but a small fraction of the original amount. But for some peculiar circumstances they would long before have been paid off by delivery of some form of war security. The greater part of it must have been actually, if not technically, war debt, and incurred in preparation for war. In any case it was held to be impossible to disentangle the government accounts of five years back, or to take account of any debts less definitely evidenced than by some actual bond, security, or note. It was therefore held reasonable that such debts, if any existed, were to fall upon the new Austria.

5. *Distribution of war debts.* The Conference drew a clear distinction between the debts falling under (a) and those falling under (b), namely, those coming under the head of war debts. Like all other belligerents, Austria-Hungary had been unable to finance herself in war time by current taxation. Recourse had been had to war loans of various kinds, and inflation of currency. The representatives of the new States claimed that they had been unwilling participants in the war, and that they could not therefore be held responsible for war debt. Perhaps the claim was not equally strong in the case of all parts of the liberated territories, but it was sufficiently based upon evidence to be accepted as a general rule by the Conference. It followed that as the new Austria was the heir of the old Empire, she must be held responsible for the war debt contracted up to the break-up of the Empire. But it was not possible to carry this principle to its logical conclusion. The war debt was of enor-

mous dimensions. To saddle it all upon Austria would have been to condemn her to immediate bankruptcy, and that in its most virulent form, namely, inability to pay her foreign creditors. For the Austrian and Hungarian loans were held not merely by Austrian and Hungarian nationals, but by nationals of Poland, Czecho-Slovakia, Yugo-slavia, Rumania, and Italy. Many of them, perhaps most, had been forced loans, and this was especially the case in regard to the subscriptions of banks, insurance companies, and other institutions. A complete repudiation of these loans would have meant widespread distress and financial confusion throughout the extent of the old Monarchy. Some kind of compromise had evidently to be devised, without deviating from the principle that the new States were not legally responsible. Not all, though by far the greater portion, of the war loans, was held by subjects of the old Monarchy. Some was held in Germany, some even by Allied subjects, through branches of insurance companies and the like, working in Austria before the war, and continuing since that date under enemy control. A distribution of the war debt on the same lines as the pre-war debt would have been unfair to the new States, and would also have saddled them with an impossible financial burden. The distribution of pre-war debt was already, as will be seen, a sufficiently intricate process, and the addition of the war debt might conceivably have broken down the machinery of distribution altogether. It was therefore decided that no responsibility should rest upon Austria for the securities, representing the bonded war debt of the former Austrian Government, legally contracted prior to the 27th October 1918, and existing outside Austria within the limits of the former Austro-Hungarian Monarchy. This left a free hand to each of the new States to deal as she pleased with the holders of bonded war debt within the limits of her own State. If some assumption of responsibility for these war securities was deemed essential for internal financial stability or other reasons, it was for the governments concerned to take such measures as they thought fit, but the holders would have no established rights against their own governments, nor would they have any recourse against Austria. But Austria was to remain solely responsible for any other liabilities of the former Austrian Government 'other than those evidenced by bonds, bills, securities, and currency notes'.

As the Austro-Hungarian Monarchy was definitely broken up on the 27th October 1918, it followed that neither Austria nor Hungary could have legally issued any securities since that date upon any responsibility other than her own. There was therefore no difficulty about any liabilities falling under (c).

6. *The Austro-Hungarian Bank, decision to liquidate it.* None of the above regulations applies to those securities of the Austrian and Hungarian Governments, which were specially deposited with the Austro-Hungarian Bank as security against the note issue. These had to be treated separately. They were merely acknowledgments of responsibility for the currency note issues, and were only a part of the general currency question. Both Austria and Hungary had financed themselves during the war openly and unashamedly by the inflation of the currency. The amount of notes in issue by the Austro-Hungarian Bank was multiplied some twenty times. The notes had been used by the Governments not only in the limits of the old Monarchy, but in the territories which they had occupied at various times during the course of the war. The concession of the Bank was due to come to an end in December 1919; its existence was bound up with the old régime, and its continuance was clearly impossible after the break-up. Several of the new States had already taken steps towards a new currency of their own, notably Czecho-Slovakia and Yugo-slavia. They had stamped the Austro-Hungarian notes circulating in their own territory, and had withdrawn many of them from circulation. The *kronen* of Czecho-Slovakia, for instance, had already a different exchange value from those of Austria. But all over the limits of the old Monarchy the monetary confusion was great. It was necessary to lay down a distinct line of policy at once. Currency questions do not stand still. It was not possible to wait for the ratification of peace. The terms of the draft treaty were bound to have a great effect on the policy of the different countries as soon as they were agreed. There was no time for a nice balancing of financial opinions. The broad lines had to be laid down boldly and without any delay.

In effect only two main courses were thinkable. One was to continue the system of a common currency, and a central institution of issue for all the new States. The other was to proceed on national lines and follow the developments which had already taken place. It very soon became obvious, for

reasons already sketched, that the first alternative was Utopian and impracticable. The second was therefore adopted, and was entirely inevitable.

It was decided that the Austro-Hungarian Bank was to be liquidated as from the day succeeding the day of the signature of the Treaty. This liquidation was to be conducted by receivers appointed by the Reparation Commission. Broadly speaking, the notes in issue were to be treated on the same lines as the war debt securities. It was not possible to make any distinction between notes issued before the war and those issued during the war, but there was a clear distinction between those issued before and after the 27th October 1918. Any notes issued since that date could have no general validity, that is to say, they would have no claim to rank against the general assets of the Bank in liquidation, but only against the special securities deposited by the then Austrian and Hungarian Governments. All notes issued on or prior to the 27th October 1918 were regarded as being legally issued, and had therefore an equal claim upon the general assets of the Bank, within certain limitations set out in the Treaty. It followed that the securities on which they were based were solely the liabilities of the new Austria and the new Hungary and of no one else.

It remained to distribute the liability for the notes issued up to the date of the break-up of the Empire. No distinction could be made in respect of their date of issue, but they could be divided according to the locality in which they were held; namely, notes held inside and outside the limits of the former Dual Monarchy as it existed on the 28th July 1914. Those held inside those limits were to be treated like the war debt securities. Each of the new States concerned was left free to deal with the holders as they pleased, but they undertook to stamp, each with the stamp of their own government, all currency notes within their own territory, and replace them within twelve months by a new currency of their own. The stamped notes were to be delivered to the Reparation Commission, and they would then rank against the general assets of the Bank, but the particular Government securities, Austrian and Hungarian in the proper proportion, deposited against them, would be cancelled.

Currency notes held outside the limits of the old Dual Monarchy fell under four heads: (1) those held in the territory

of the successor States, but outside the old limits of the Monarchy, e. g. in Rumania or Serbia proper.

(2) Those held in enemy countries.

(3) Those held in neutral countries.

(4) Those held in Allied countries.

It was held that all these notes must retain the security which they possessed at the time of their issue, that is to say, their share against the general assets of the Austro-Hungarian Bank, and the Austrian and Hungarian Government securities specially deposited. The new Austria and the new Hungary were to be regarded as successors of the old Austria and Hungary in respect of their securities. To simplify the liquidation of the Bank it was laid down that no claims on account of currency notes, wherever held, were to be valid unless presented by the Government of the country in which they were held. It may be remembered in passing that this has the effect of transferring all claims for currency notes from enemy countries to the Allies on account of Reparation.

The general scheme for dealing with the currency notes of the Austro-Hungarian Bank provided for the withdrawal of these notes and the liquidation of the Bank. It relieved Austria and Hungary of all liability in regard to those notes which were in circulation within the limits of the old Austria-Hungary. It safeguarded the rights of neutral and Allied holders, and also of holders in countries invaded by Austria-Hungary, as far as they could properly be safeguarded. And lastly it left the successor States free to make any arrangement they pleased about their own currency, and did nothing to prevent them from coming to some general arrangement, if they wished to do so.

7. *Example of Conference's methods of distributing financial liability.* The Conference was extremely anxious, in laying down the principles of distribution of financial liability between the different parts of the old Empire, to avoid future complications by creating a network of cross-liabilities between States. Further, in view of the patent fact that the nominal amount of liabilities of all kinds, for which the Governments of the old Austria and Hungary had become responsible by the close of the war, was so enormous that they could not be met, it aimed at softening the effects of the inevitable rearrangement of debts, to use no harsher term, by making those debts internal and not external. An illustration will make these points clearer.

Take the case of the pre-war unsecured debt of the Austrian Empire. Any particular issue, belonging to this debt, might fall to be divided between Italy, Poland, Czecho-Slovakia, and Austria, in the proportions (for the sake of the illustration) of 1, 2, 3, and 4. That is to say, if the nominal amount of the debt was 10 million kronen at 4 per cent., due in 1940, Italy's liability would be 1 million *kronen*, Poland 2 million, Czecho-Slovakia 3 million, and Austria 4 million. The simplest plan at the beginning would be to institute a Debt Commission, and for each of the countries concerned to pay in a sufficient sum annually for the service of the Debt, and for the Commission to undertake the payment of coupons, etc., the holders retaining the original securities. But the Conference rejected this method, on the ground that it was better to extinguish the securities of a vanished State altogether, that any failure to pay the required contribution on the part of any government might lead to unnecessary international difficulties, that it would lead to needless exchange operations, and make the contribution more burdensome because it had to be all paid in the first instance to an external debtor, and that it would set up machinery and offices which might be avoided. Another plan was adopted, very much more complicated in the beginning, but much simpler once the preliminary work was done.

In the case given each State would have to ascertain the amount of bonds held within its own issue. We will suppose that the result of this investigation was as follows :

Italy, whose allotted share is 1,000,000 kr., holds within her territory the same amount, 1,000,000 kr.

Poland, whose share is 2,000,000 kr., holds within her territory 1,000,000 kr., leaving a balance of 1,000,000 kr.

Czecho-Slovakia, whose share is 3,000,000 kr., holds within her territory 2,000,000 kr., leaving a balance of 1,000,000 kr.

Austria, whose share is 4,000,000 kr., holds within her territory 4,500,000 kr.

There would thus be left 1,500,000 kr. held by other creditors. Italy would, as a country, have nothing to pay externally ; the holders of the bonds in Italian territory would receive Italian Government bonds in place of the Austrian bonds, and would have recourse against no other Government but the Italian.

Poland and Czecho-Slovakia would deal similarly with the

holders of the bonds in their own territory. They would each hand over to the distributing authority, the Reparation Commission, the equivalent of 1,000,000 kr. in their own bonds, calculated at the same rate of exchange as that used in the conversion of Austro-Hungarian currency notes, if the original bonds were expressed in Austrian paper money, or at a rate laid down in the case of gold bonds. These new bonds would be in the denominations required by the Reparation Commission. Austria would receive the equivalent of 500,000 kr. in Polish and Czecho-Slovak bonds, and holders in Austria of the original issue would receive, therefore, for every 100 kr. of stock 88·90 kr. in Austrian bonds, 5·50 kr. in Polish, and 5·50 kr. in Czecho-Slovak bonds. Other holders of this particular issue, including neutral and Allied holders, would receive for every 100 kr. original stock 50 kr. of Polish and 50 kr. of Czecho-Slovak bonds.

The result is that when all the exchanges have been completed, the original security will have been completely extinguished, Poland and Czecho-Slovakia will each be burdened with an external debt of 1,000,000 kr. to holders in various countries, including Austria. The remaining 8,000,000 kr. will have been definitely converted into internally held obligations of the four countries.

Of course in practice there may be a good deal more complicated work in the first instance than in the illustration given. But once that complicated work and redistribution of securities has taken place, the ground is very much clearer, and there will be much less strain on international relations, than if all the governments were paying annual contributions to a central Caisse. There are too many instances on record of friction arising from such causes to allow such a prospect to be contemplated with equanimity. External bond-holders under the scheme are also treated equitably. Indeed, the only criticism on the scheme is that some bond-holders, especially the internal ones, may come off rather worse than others, and this may lead to some jugglery in the disposition of bonds ; but the Conference held that any minor defects of the kind should not weigh against the general advantages of the plan.

8. *Financial machinery ; financial clauses of Austrian Treaty.* The Conference aimed at avoiding the creation of international Commissions of a permanent character, but a good

deal of machinery was needed to carry out in detail the principles of financial arrangements laid down in the Treaties. Just as when the main features of a boundary line have been agreed, a Commission of demarcation is appointed to draw the actual line on the spot, so some authority had to be found to carry out the actual details of the apportionment of debt, the cancellation or redistribution of securities, the valuation of property taken over by the new States, to settle other details which could not be dealt with in the Treaties themselves, and to interpret the conundrums which are bound to arise in carrying out the formidable task of the liquidation of an Empire. Three courses were open for the provision of this machinery : to leave it to the League of Nations, to the Reparation Commission, or to a new and specially created authority. It was decided that the Reparation Commission should be charged with these duties. There was a strong feeling that it was unwise to burden the League of Nations at the start with so many functions of a technical character, functions which, moreover, were so closely interwoven with the scheme of reparation. Any new authority created for the purpose would have to cover the same ground as that already laid down to be explored by the Reparation Commission. There would inevitably be a duplication of work, and most probably an overlapping of jurisdictions. It was therefore judged best to make the Reparation Commission the sole authority, and leave to it the creation of the necessary machinery. If at any time the policy with regard to the League of Nations was altered, and it was deemed advisable for that body to take control of the Reparation Commission, its control would automatically extend to the machinery for the liquidation of the Austro-Hungarian Empire. This was the wisest and most economical course to adopt, but it placed a heavy burden upon the Reparation Commission, whose powers and duties were already of a sufficiently alarming magnitude. The Conference had to bear this point in mind, in dealing with the other countries, whose affairs had still to be settled.

No separate account of the Financial Clauses of the Hungarian Treaty is required. These are almost identical in terms with the Austrian, and entirely the same in principle. As the new countries were carved out of the Austro-Hungarian Monarchy as a whole, and did not form two separate groups, one composed of Austrian and one of Hungarian territory, and,

as the currency notes issued by the Austro-Hungarian Bank were common to the whole, it was clearly necessary that general rules should be laid down applying to the whole of the old Monarchy.

The other financial clauses beyond those already described are on the same lines as those laid down for Germany. They are mostly concerned with questions arising from reparation. An analysis of each clause will be found in the following section.

C. ANALYSIS OF THE FINANCIAL CLAUSES OF THE AUSTRIAN AND HUNGARIAN TREATIES

1. *Costs of Reparation, etc.*

Austria 197. Costs of reparation are to be a first charge upon the assets and revenues of Austria, subject to such exceptions as the Reparation Commission may make. The exception is a very important one, in view of the economic condition of Austria.

The clause also forbids the export of gold without the consent of the Allied and Associated Powers, signified through the Reparation Commission.

Austria 198 defines the cost of the Armies of Occupation within the boundaries of Austria as defined by the present Treaty after the Armistice of the 3rd November 1918, to be borne by Austria. The terms are nearly the same as those used in the German Treaty, except that there is a more exact definition of the currency to be used.

In the Hungarian Treaty these stipulations apply to military operations carried out after the 3rd November 1918, to such extent as the Reparation Commission may decide, and that body has further power to decide all questions relating thereto. (Articles 181 and 183.) This was rendered necessary by the operations due to Béla Kun's Bolshevist régime and the Rumanian occupation.

Austria 199 is similar to the corresponding article in the German Treaty. It confirms the handing over of material under the Armistice, and lays down that any part of such material having in the judgment of the Reparation Commission a non-military value shall be credited to Austria against the Reparation liability.

Austria 200 makes first the cost of Armies of occupation, secondly of Reparation, and thirdly any other costs arising under the Treaty or the Armistice, prior charges on the revenue of Austria, with the very important exception that such priority does not apply to payments for 'food and raw material for Austria', and such other payments 'as may be judged by the Principal Allied and Associated Powers to be essential to enable Austria to meet her obligations in respect of reparation'.

Austria 201 safeguards the right of the Allies to dispose of Austrian assets within their jurisdiction at the time of the coming into force of the Treaty.

Austria 202 safeguards any pre-war charges or mortgages lawfully created in favour of the Allied and Associated Powers or their nationals by the former Austrian Government or any national of the former Austrian Empire on assets in their ownership at that date, except when a variation is specifically provided by the Treaty.

Austria 203 deals with the Austrian pre-war Government debt, (1) that specifically secured on railways, salt-mines, or other property, (2) that without any specific security.

2. *Secured Debt.* Each of the new States is to assume such a portion of the debt as, in the opinion of the Reparation Commission, represents the amount of the specific security transferred to the State in question. Supposing a railway on which any particular Austrian debt was secured lay wholly within the new Czecho-Slovakia, that State would take over the whole debt in its original form. But supposing the railway was situate in two of the new States, the Reparation Commission would value each portion, and distribute the liability in the like proportion, each particular portion remaining specifically pledged for the portion of the debt assumed by each State. The country within which the portion of the railway was situate would deduct the value of the liability from the amount which it would be liable to pay to the former or existing Austrian Government for the State property taken over.

Payments due by the former Austrian Government in connection with the purchase of railways, salt-mines, etc., are to be regarded as secured debts for the purpose of this Article (203).

If the old debt was expressed in terms of Austro-Hungarian paper currency, the debt of the State assuming the responsi-

bility is to be converted into the new currency, at the same rate as the original conversion of Austro-Hungarian paper currency, unless the Reparation Commission decides that this rate was below the true value at the time. Any foreign exchange options in the old bonds are to be retained in the new bonds.

3. *Unsecured Debt.* The Reparation Commission is charged with the duty of dividing the unsecured pre-war debt of the former Austrian Government between the two countries. For this purpose it is to choose such revenues, as in its opinion best represent the financial capacity of the respective territories, calculate their average annual total for the three financial years 1912, 1913, and 1914, and distribute the unsecured bonded debt in the like proportion.

It was decided that the debt of Bosnia-Herzegovina was to be regarded as a local debt under Article 204, and therefore the revenues of those territories were not to be included in the calculations.

This division was not to apply to the bonds deposited with the Austro-Hungarian Bank as security for the note-issue, nor to any unbonded debt incurred by the Austrian Government prior to the 28th July 1914, which was to be regarded as the sole liability of the new Austria.

The Annex to this Article lays down in detail the plan for the conversion and distribution of the securities representing the new debt, especially in relation to the currency in which they are to be expressed. An explanation of the principles has already been given.

Austria 204 lays down similar provisions for the distribution of the public debts of local areas, which may be divided between two or more of the new States by the Treaty, and also that the public debt of Bosnia-Herzegovina is to be regarded as the debt of a local area.

Austria 205 deals with the War Debt of the Austrian Empire.

Within two months of the coming into force of the Treaty, each of the new States is to stamp with its own stamp all securities representing the bonded war debt of the former Austrian Government existing within their own territory, withdraw them, and replace them by its own certificates. But the issue of these certificates does not imply any obligation on the part of the issuing Government unless they so desire.

The Government of the new Austria is to be responsible for

those war securities existing within their own territory, for those in the beneficial possession of Governments or nationals of States other than those which have taken over portions of former Austro-Hungarian territory, and any other war-time liabilities of the former Austrian Government other than those evidenced by bonds, bills, securities, and currency notes, but not for any other.

Austria 206 deals with the currency notes issued by the Austro-Hungarian Bank, the securities deposited against them by the former Austrian and Hungarian Governments, the liquidation of the Austro-Hungarian Bank, and the issue of new currency notes by the successor States. The principles of the arrangements have already been described, but further details are here given. Each successor State is (1) to stamp all Austro-Hungarian bank-notes existing within its own territory within two months of the coming into force of the Treaty, (2) replace them in twelve months by its own or a new currency, (3) and (4) hand over the stamped notes or any which have been withdrawn previously to the Reparation Commission within fourteen months. The Governments shall also hand over (5 and Annex) all records of the conversions, and receive in return certificates showing the number of notes converted within and without the limits of the former Austro-Hungarian Monarchy. These certificates will entitle the holders to claim any share which may be due for currency-notes in the assets of the Bank when liquidated. After the liquidation of the Bank the currency notes handed over will be destroyed.

The Austro-Hungarian Bank (6) will be liquidated as from the day following the signature of the Treaty by (7) receivers appointed by the Reparation Commission, in accordance with the Statute of the Bank, and the regulations laid down in the Treaty. In case of any doubt, the Reparation Commission is to be the final arbiter.

The currency notes will rank in various ways in the liquidation of the Bank according to their date of issue or place of stamping or collection, but none will rank unless presented through the Government of the country in which it is held.

Notes issued after the 27th October 1918 will rank (8) against securities issued by the Austrian and Hungarian Governments at any time, and deposited as security for the notes with the Bank, that is to say against those Austrian

and Hungarian securities for which the Governments of the new Austria and Hungary are to remain responsible, but they will have no claims against the other assets of the bank.

All currency notes issued before the 27th October 1918 (9) will rank equally, so far as they have any claim at all under this Article, against the general assets of the Bank, other than the specially deposited Government securities.

All Government securities held by the Bank (10) on account of the currency notes, shall be cancelled in so far as they represent notes issued prior to the 27th October 1918, converted and withdrawn within the limits of the former Austro-Hungarian Monarchy, and handed in to the Reparation Commission by the Governments of the successor States. In so far as they represent (11) notes issued before the 27th October 1918, which on the 15th June 1919 were outside the limits of the former Austro-Hungarian Monarchy, and have been presented to the liquidators by the Governments of the successor States, or by other Governments, they will be retained in force as liabilities of the new Austria and Hungary. Any balance of such securities deposited before the 27th October 1918 representing notes which do not comply with the above conditions shall be cancelled, (12) and none of these notes shall have any claim on any Government securities, or on any other of the assets of the bank.

The Government of the new Austria and the new Hungary will be solely responsible (13) for the Government securities remaining in force, and no holders of any currency notes of the Austro-Hungarian Bank (14) shall have any recourse against either Austria or Hungary or any other State for any loss which they may suffer as the result of the liquidation of the bank.

Austria 207 completes the freedom of each of the successor States in regard to the currency, by laying down that they may each deal as they please with the petty or token coinage existing within their territories, but that no State shall have any recourse under any circumstances, against any other State, either on its own behalf, or that of its nationals, in respect of such coinage.

Austria 208 is of great importance. It settles the divisions of the assets of the Government of the late Austrian Empire. It goes upon the general principle that such assets are directly available for the reparation fund when they are situate outside

the new Austria; outside the former Empire this would naturally be the case.

Each of the successor States is to acquire any such property or assets existing within its own borders, including any joint property of the Monarchy, Crown property, or property belonging to members of the former Royal Family. The assets so taken over are to be valued by the Reparation Commission, and placed to the credit of Austria for reparation, and debited to the States acquiring the property. The States will pay for them in the manner prescribed in the separate agreements already described (pp. 14-16). But the value of any contribution in land, money, or material, made by a local autonomous body towards the cost of such property, is to be deducted.

Certain kinds of property are, however, to be taken over without payment by the successor States, namely :

(a) Property of provinces, communes, and other local autonomous institutions.

(b) Schools and hospitals.

(c) Forests belonging to the former Kingdom of Poland.

(d) All buildings on property situate within the respective territories, whose principal value is their historic interest, and associations, formerly belonging to the Kingdoms of Bohemia, Poland, or Croatia-Slavonia-Dalmatia, Bosnia-Herzegovina, the Republics of Venice or Ragusa, or the Episcopal Principalities of Trient and Bressanone (with the approval of the Reparation Commission).

Real property of the Austro-Hungarian Monarchy or Bosnia-Herzegovina which was purchased from the Turks in accordance with Articles of the Convention of the 26th February 1909 is not an exception, and its value is to be assessed by the Reparation Commission, and the proper proportionate share credited to Austria and Hungary respectively on account of reparation.

Austria 209. Austria renounces all rights conferred by treaties or agreements, to representation for herself or her nationals on any international commissions, State Banks, or other international financial or economic organizations operating in any Allied or Enemy States or their dependencies or in Russia.

Austria 210. (1) Austria agrees to hand over the gold deposited with the Austro-Hungarian Bank in the name of the Council of Administration of the Ottoman Public Debt, as

security for the first issue of Turkish Government currency notes.

(2) She renounces any benefits accruing under the treaties of Bucharest or Brest-Litovsk, and agrees to hand over any money, securities, goods, etc., received by her under those treaties.

(3) All gold, etc., received as above will be dealt with by the Principal Allied and Associated Powers in a manner to be determined by them.

(4) Austria confirms Articles 259 (5) and 261 of the German Treaty.

Austria 211 gives power to the Reparation Commission to demand within a year that Austria should possess herself of and transfer to that body, on account of reparation, any rights or interests of her nationals in any public utility undertaking or concession in Russia, Turkey, Germany, Hungary, Bulgaria, or any former territory of those countries. She shall be responsible for the indemnification of her nationals so dispossessed.

Austria 212. Austria agrees not to hinder any acquisition of the kind referred to in Article 211 by the German, Turkish, Bulgarian, or Hungarian Governments.

Austria 213. Austria transfers to the Allies all claims of any Austrian Government upon the Governments of Germany, Hungary, Bulgaria, or Turkey, for payments or reparation, particularly any arising from undertakings during the war period.

The value of such claims will be assessed by the Reparation Commission, and credited to Austria on account of reparation.

Austria 214 provides that any obligation under the present Treaty expressed in gold kronen shall be payable at the option of the creditors in pounds sterling in London, gold dollars of the U.S.A. in New York, gold francs in Paris, or gold lire in Rome.

The gold coins mentioned are to be the same in respect of weight and fineness as they legally were on the 1st January 1914.

Austria 215 recognizes that many questions of financial adjustment, especially in respect of banks, insurance, land, and mortgage companies, and similar institutions, may arise in consequence of the partition of the Empire, and the resettlement of public debts and currency provided by these articles ;

in case the Governments concerned cannot settle them equitably by agreement, as they are invited to do, either party may appeal to the Reparation Commission to appoint an arbitrator, whose decision shall be final.

Austria 216. The Government of Austria is relieved of all liability in respect of pensions, civil or military, granted to former Austrians, who have since become nationals of other States.

D. CONCESSIONS REGARDING FINANCE AND REPARATION MADE TO AUSTRIA BY THE SUPREME COUNCIL, 17TH MARCH 1921

The following decisions were taken by the Supreme Council after the visit of the Austrian Delegates, headed by Dr. Mayr, to London. They were summarized in the Press on the 17th March and were more fully explained in the House of Commons as follows :

‘ MR. CHAMBERLAIN : The following statement was made to the Austrian Delegation this morning on behalf of the Allies.

STATEMENT TO THE AUSTRIAN MINISTERS.

“ 1. On the understanding that the Austrian Government desire the application to Austria of the International Credits Scheme, as approved by the League of Nations, and are prepared to place, as provided under Clause 7 of that scheme, the administration of the assigned assets in the hands of the Financial Committee of the League of Nations.

‘ 2. The Governments of Great Britain, France, Italy and Japan have decided to release for a period of years, to be determined later, their liens under the Treaty of St. Germain in respect of claims against the Austrian Government for the cost of Armies of Occupation, for Relief Credit Bonds, and reparations, provided other interested Governments will agree to similar postponement.

‘ 3. The four Allied Governments are taking, through their representatives on the Reparation Commission, the steps necessary to obtain the release of these liens on the part of the other Powers represented on the Reparation Commission and are communicating in the same sense with the Governments who participated in relief loans to Austria, but are not represented on the Commission.

‘ 4. The Financial Committee of the League of Nations will hold a meeting within the next fortnight in order to present to bankers for examination the proposals made by the Austrian Ministers with regard to the amount of the loans required, the character of the securities available, and the services which the Financial Committee are in a position to offer in the matter.

‘ 5. The plan may be briefly summarised as follows :

‘ The four Allied Powers are prepared to postpone payments (as enumerated in Article 2) which they are entitled to demand under the Treaty of St. Germain, and also the payment of capital and interest on the advances which they have made to Austria since the Armistice in order to avert starvation in that country. The whole of the assets of Austria are at present pledged as security for these payments. It is now proposed that the charges in respect of them against the Austrian assets shall be formally released, and that no specific charge or security shall be substituted, although the debt of the Austrian Government, while suspended for a definite period of years, will remain, and the respective priorities will not be affected. The Financial Committee of the League of Nations would take steps immediately to determine the gold value of the advances which it could, under the Ter Meulen scheme, approve against the security of such assets which the Austrian Government would then be free to pledge, such as the Customs Revenues, tobacco monopoly, etc. The assets would be administered under the control of the Financial Committee, and the Ter Meulen Bonds issued against these assets would be held by the lenders as collateral for their advances. By the utilisation of this machinery additional protection will be afforded both to the lender and the borrower, and some of the principal obstacles in the way of the participation of private capital would be removed.

‘ The four Allied Powers, in consultation with the other Powers concerned, will consider the possibility of placing under one trusteeship, the suspended interests of the Powers and the interests of those who participate in credits provided under the present proposal.

‘ It is hoped that in addition to facilitating external borrowing the release of their liens and the suspension of their claims by the Allied Powers will assist the Austrian Government to hasten the date at which it will be in a position to arrive at a balanced Budget, and by means of internal borrowings, to reduce the amount of outstanding paper currency.

‘ 6. The four Allied Governments will use their good offices at the conference shortly to be held at Porto Rose, to bring about an improvement in the economic conditions, which, at present, adversely affect the countries of Central and South-Eastern Europe.

‘ 7. The Allied Governments will also take such steps as are in their power to assure to Austria a continued and increased supply of coal.”’ (*Hansard Deb.*, vol. 139, pp. 1266-8, 17th March 1921.)

It is of course too early to predict the effect of these concessions, but they are certainly to the benefit of Austria.

E. REPARATION AND FINANCE IN THE BULGARIAN TREATY

1. *Bulgarian Reparation Clauses*

1. *Introductory.* Bulgaria is a small country, but her geographical position and the character of her people made her a very important factor in the war. When she threw in her lot with the Central Powers, she completed the chain from east to west, and was able to do a great deal more damage to the Allied cause than was warranted by her actual resources and power. Practically her whole population is agricultural. Her exports before the war consisted mainly of cereals, tobacco, attar of roses, cattle, sheep, and horses. During the latter part of the war a number of industrial and other companies were floated in Sofia. Currency inflation had produced a great deal of nominal wealth in the country. A Stock Exchange was started, and a boom was engineered, which produced a fictitious appearance of great industrial activity, and caused some erroneous ideas to prevail as to Bulgaria's capacity to pay for the damage she had done, and these were specially prevalent among her neighbours, who had suffered most by her action, notably the Serbs, Greeks, and Rumanians. There is a certain amount of coal in Bulgaria, and there may be other mining possibilities, but for all practical purposes her exports must consist almost entirely of agricultural products. She had suffered from the European War less in proportion than almost any other belligerent actively engaged, but that war following immediately upon the two Balkan Wars had much exhausted her resources, both in men and material. War spoils, temporarily enjoyed, are not a permanent addition to wealth, and it was impossible to suppose that her real wealth was greater than immediately before the Balkan Wars. In those years her exports had averaged some seven million pounds sterling, running up to some ten millions. After making all due allowances for the increase in prices of agricultural goods, for cessation of import of war material and luxuries, for the service of already existing foreign debt, and for other necessary factors, it was clear that Bulgaria could never pay amounts approximating to the damage done by her action. 'The Allied and Associated Powers recognize', says Article 121, 'that the resources of Bulgaria are not sufficient to enable her to make complete réparation.'

In settling the terms of the Treaty, the most important consideration in the mind of the Conference was the future maintenance of peace in the Balkans. For this purpose it was necessary that Bulgaria should pay damages, and stiff damages, for her action in the war. Her recent history proves conclusively that it was essential to teach her a stern lesson as to the penalties inevitable upon aggression. But at the same time the burden had to be adjusted so as not to make it crushing, and the machinery of payment had to be so arranged as to avoid all opportunities for friction among neighbours, whose national animosities are quick to burst into flame, to whom war had become almost a normal condition, and for whom indeed, in days not very remote, peace had been only an informal kind of war.

It was important, too, that the terms of the treaty should be simple and unambiguous. In spite of their Stock Exchange operations, the Bulgarians have not attained to a very high standard of civilization. Anything like the intricacies of the reparation clauses of the German and Austrian Treaties was out of the question. As the conditions of the country are simple, there was no need for elaborate calculations. The moral effect of the reparation clauses, it was thought, would be greatly enhanced if the results of defeat were stated at once in plain figures that no peasant farmer could mistake. Eleven short clauses make up the whole reparation chapter. They are plain and straightforward, and can easily be comprehended.

2. *A fixed sum to be paid by Bulgaria; Reparation Commission.* The two main points are the fixing of the sum to be paid by Bulgaria, and the setting up of a special Inter-Allied Commission for Bulgaria, to superintend its payment, and to deal with other questions arising out of reparation.

After a good deal of discussion, the sum to be paid was fixed at 2,250,000,000 francs gold (about 90 million pounds sterling). This sum was to be paid in half-yearly payments over thirty-eight years; the first two half-yearly payments were to amount to 2 per cent. per annum on the capital sum, and during the remaining years, from the 1st January 1921, 5 per cent. per annum, and a sufficient sinking fund to extinguish the whole debt in thirty-seven years. Immediate payments to reduce the capital sum due might be made at

any time by the Bulgarian Government, and all those payments might take the form of cash, or chattels, properties, rights, concessions, ships, bonds, securities, shares, or currency, approved and valued by the Reparation Commission. If the fixed sum should prove to be beyond the capacity of Bulgaria to pay, the Reparation Commission has power to reduce the amount by a simple majority vote on the proposition of the Inter-Allied Commission. The proposition that a majority, and not a unanimous vote is required, is very important. It might well have happened that one of the particular enemies of Bulgaria, represented on the Commission, should have obstinately blocked any reduction of the sum fixed, no matter how clearly it was shown that the sum was too large. The Commission have the same powers to order a postponement of any particular payment, as to order a reduction (Art. 122).

It is to be noted that the payment of this amount does not increase the financial liabilities of Bulgaria so largely as it appears to do. By Article 261 of the German Treaty, and the corresponding articles in the other treaties, any claims by those countries for payments for war material, etc. against Bulgaria, were transferred to the Allies.¹ At the time of the Armistice, considerable payments were claimed by Germany, especially for the supply of war material to Bulgaria. In Article 124, the Allied and Associated Powers agree 'not to require from Bulgaria any payment in respect of claims so transferred, as they have taken these claims into account in fixing the amount to be paid by Bulgaria under Article 121'. Many of these claims were disputed by Bulgaria, but none-the-less this concession is a very considerable one, and settles what would have been a very vexed and complicated matter in a satisfactory manner.

Article 121 also gives power to the Reparation Commission to issue gold bonds based upon the payments to be made by Bulgaria, should it desire to do so. These bonds can only be

¹ For Germany 261, v. Vol. III, p. 241. Bulgaria 145: 'Bulgaria undertakes to transfer to the Reparation Commission any claims which she or Bulgarian nationals who acted on her behalf may have to payment or reparation by Germany, Austria, Hungary or Turkey, or their nationals, particularly any claims which may arise now or hereafter in the fulfilment of undertakings made between Bulgaria and those Powers during the war.'

Any sums which the Reparation Commission may recover in respect of such claims shall be transferred to the credit of Bulgaria on account of the sums due for reparation.' Compare Austria 213, Hungary 196.

issued on terms, which would not alter the conditions laid down for the half-yearly payments. They will be the direct obligations of the Bulgarian Government, which undertakes to supply the necessary bonds as directed by the Reparation Commission, but their service will be conducted by the Inter-Allied Commission, out of the funds provided by the half-yearly payments before-mentioned. The bonds, of course, are to be free from all Bulgarian taxes and charges of any kind.

26. *The Bulgarian Reparation Commission, Powers and Discretion.* The constitution of the special Inter-Allied Commission, its duties, functions, and powers, are contained in Article 130 and the Annex. The duties of the Reparation Commission, created by the other treaties, are of a very onerous character, and cover a great deal of ground. Reparation questions themselves are of a far-reaching character, and a great many points had to be left for future solution, besides those of mere interpretation. That is not all. Throughout the treaties, great need was felt of some central international authority to which questions could be referred for arbitration or decision. This was particularly the case in the financial articles of the Austrian and Hungarian treaties, by which the Reparation Commission, or its Austrian and Hungarian sections, is entrusted with a number of duties, arising from the business of the liquidation of an Empire, and having no connexion at all with the idea of reparation. It is not necessary to mention more than the division of the pre-war debt of the Dual Monarchy between the successor States, as one instance. And the imposition of such duties upon the Reparation Commission is not confined to the financial articles. There was no little danger that too great burdens would be placed upon the back of the Commission.

It was therefore decided that, whilst any sums received from Bulgaria should be paid into the General Reparation Fund, the Reparation Commission itself should have as little as possible to do with Bulgaria herself. Only when the interests of the Allies upon it are affected as a whole, is the Commission to have direct authority, as for instance in the case already mentioned of a proposed reduction of the capital sum, or of any postponements of payments. The duties of the Reparation Commission are to be performed by an Inter-Allied Commission of three members appointed respectively by Great Britain, France, and Italy. In the original draft, a fourth member

was to be appointed by the United States of America, but this was withdrawn at the last moment by the request of the Americans. No member of the Commission will be responsible to any one but his own Government. Bulgaria will be represented by a Commissioner, who will take part in the sittings when invited to do so by the Commission but will not have the right to vote.

Bulgaria undertakes on her side, within six months of the coming into force of the Treaty, to provide the necessary authority for enabling the Commission to carry out its duties within that country. Those duties are in part immediate, and in part dependent upon certain contingencies.

The Commission will settle its own rules and procedure, and may appoint its own agents and employees. But it has to elect a Chairman annually from its members, and decisions are to be taken by a majority vote. Abstention from voting is to be treated as a vote against the proposal under discussion, but each member can appoint a deputy to act for him. Bulgaria pays all costs and expenses, which are a first charge on all moneys received by the Commission. Bulgaria undertakes to supply the Commission with all necessary information and records, and also to give the Commission or its agents full powers of visiting and inspecting any places, public works, or undertakings.

The Bulgarian Government agrees to provide the Commission each half-year with funds sufficient for it to make the payments required for reparation or other purposes under the Treaty. If this undertaking is duly carried out, the Commission has nothing to do but pay over the amounts to the Reparation Commission, unless an issue of Bulgarian bonds has been made, in which case it carries out the service of the debt.

But in case of default by Bulgaria, the Commission has to play a much more important rôle. It is laid down that in the law relating to the working of the Commission, there shall be prescribed a list of the taxes and revenues estimated to be sufficient to produce the required amounts. This list, which is to include all revenues from mines, public utility companies, or any monopolies for the manufacture or sale of any articles in Bulgaria, may be altered from time to time, with the unanimous consent of the Commission, and, if the revenues assigned prove insufficient for the purpose, they are to be supplemented.

In case of default by Bulgaria, in the performance of these obligations, 'the Commission shall be entitled to assume to the extent and for the period fixed by it the full control and management of and to undertake the collection of such taxes and sources of revenue'¹ and to apply the proceeds to the satisfaction of the reparation obligations of Bulgaria, subject to the priorities laid down in the Treaty.

There is another case in which the responsibilities of the Commission might be enlarged, apart from default by Bulgaria. 'By agreement with the Bulgarian Government, the Commission shall have power to assume the control and management and the collection of any taxes, even if no default has occurred.'¹

The four Articles 125-8 deal with reparation by way of restitution. They deal with the restoration of objects other than livestock and securities, archives and records, and with livestock actually carried off by the Bulgarian Armies as spoil, and compensation for the destruction of coal-mines in Serbian territory. Great care was taken in framing those articles to avoid direct collision between the Bulgarians and their neighbours. Cattle-lifting in particular has always been a fruitful source of quarrel in the Balkans, and the Conference were most anxious to prevent the just restitution of stolen animals from degenerating into a sort of licensed plunder, only too likely in the border districts. The Inter-Allied Commission was entrusted with the delicate task of supervising these restitutions.

By Article 125 it is laid down that Greece, Rumania, and the Serb-Croat-Slovene State shall within four months of the coming into force of the Treaty deliver lists to the Commission of the articles which they can prove to have been carried off from the invaded territories, and which can be found and identified in Bulgarian territory. It is left to the Commission to procure their actual restitution, and the Bulgarian Government undertakes to facilitate the process by all means in their power.

By Article 126 Bulgaria undertakes to restore to these three countries any records or archives or any articles of historic, archæological, or artistic interest taken away during the war. In case of dispute the matter is to be decided by an arbitrator appointed by the Inter-Allied Commission.

¹ Annex after Art. 181.

Article 127 deals with livestock. Bulgaria undertakes to deliver to each of the three countries within six months of the coming into force of the Treaty certain numbers (laid down in the Article) of bulls, milch cows, draught oxen, horses, mares, mules, and sheep. No attempt is to be made to procure the restoration of particular animals stolen, a process which might lead to bitter and interminable disputes. But the animals are to be assembled at places agreed by the respective Governments, and there they are to be inspected by the agents of the Inter-Allied Commission to insure that they are of the proper standard and condition. The value of these animals is not to be credited to Bulgaria on account of reparation, but in order to redress any further loss which the three countries may have suffered in livestock during the war, the Inter-Allied Commission is empowered to grant to each of the three countries within two years such quantities of livestock as they may consider themselves justified in granting. The value of any animals so delivered will be credited to Bulgaria as reparation payment.

Article 128 deals with coal. By way of compensation for the damage done to the Serbian coal-mines by the Bulgarian Armies, Bulgaria undertakes to deliver to the Serb-Croat-Slovene State 50,000 tons of coal a year for five years. These deliveries are to be free on rail at the frontier. They are, however, to be subject to the approval of the Inter-Allied Commission. The Commission is only to assent to the delivery of the coal, if it is satisfied that Bulgaria is able to make it without damage to the economic life of the country. The value of any coal so delivered will not be reckoned as part of the 2,250,000,000 francs.

27. *General Considerations on Reparation ; Debts.* It will be apparent to any one who studies the scheme above outlined, that the Conference was anxious, at once to impose a just penalty on Bulgaria for her action during the war, and also to give all possible assistance to enable her to carry her burdens, without assuming a direct control of her finances. Some of the Bulgarian revenues, notably the tobacco, are already mortgaged on account of her pre-war foreign debt. The question was discussed, whether it was desirable to make the Inter-Allied Commission a Debt Commission as well as a Reparation Commission, and to give it powers to supervise and control the service of these debts. It was decided to leave these loans

in the position in which they stood before the war. There is no comparison between the powers conferred upon the Inter-Allied Commission in the first instance and those of the Ottoman Public Debt Commission or the Greek Financial Commission. Its position is much more comparable to that of the Egyptian Caisse de la Dette, as it at present exists. In case of default by Bulgaria, the powers of the Commission become very much more extended. Even so, the Commission would only possess a limited control. By Article 135 of the Treaty, the service of the pre-war obligations of Bulgaria ranks prior to the reparation charges. But there is nothing in the scheme to prevent the development of the Commission so as to include the supervision of the foreign pre-war debt, with or without default upon those debts. Moreover, as has been pointed out, it is expressly laid down that, by agreement with the Bulgarian Government, the Commission may assume the management and control of taxes other than those expressly assigned. If the Commission works well, and in harmony with the Bulgarian Government, it may well prove to the advantage of Bulgaria to surrender a large part of her financial independence for a period of years. Such a surrender might conceivably lighten the task of Bulgarian statesmen in rebuilding the resources of their country after the exhaustion of so many years of unsuccessful war. The international Financial Commission in Greece during the last twenty years has not been one of the least factors contributing to the rehabilitation of that country since the disastrous Turkish War. It is a precedent which Bulgaria may well study with advantage. The case of Greece is very analogous to that of Bulgaria at the present time, even if there are no lessons to be learnt from the history of the Turkish Empire and of Egypt. A prosperous and contented Bulgaria is most necessary for continued peace in the Balkans, and is well worth some sacrifice of national pride for a period. But the Conference had no wish to force any such arrangement upon Bulgaria. Under the Treaty she has full liberty to take her own independent course, if she can thereby carry out the obligations which she has incurred. The Treaty merely provides that if she wishes to call in the expert assistance and advice of the representatives of the three Principal Allied Powers for the solution of her financial difficulties, the door is open for her to do so.

It is from this point of view that the composition of the Commission is important. No representatives of the neighbouring States are included. It is a commonplace that national passions run high in the Balkans. If the policy of the Conference had been purely punitive, the representatives of Greece, the Serb-Croat-Slovene State, and Rumania might well have found seats upon the Commission. It may not be difficult to conceive a time in which the statesmen of one or all of these countries could perceive that their ultimate advantage lay in a contented and prosperous Bulgaria, and not in one drained and bled to the last drop of her resources. But it would be quixotic to expect that they would all take that view, when they are still smarting under the wounds inflicted upon them by Bulgarian Armies, more mindful of racial animosities than of international law. A Serb, for example, with the spectacle of his own ruined coal-mines fresh in his mind, could not easily take a calm view of the economic necessities of Bulgaria. The details of restitution are far less likely to prove causes of friction, if managed by the representatives of countries without a direct interest in the matter. The delegations of these Powers fought hard at the Conference for representation on the Inter-Allied Commission, but, in the interests of future peace, the Conference stood firmly by the Treaty arrangement.

E 2. FINANCIAL CLAUSES IN BULGARIAN TREATY

28. *Pre-war Obligations, etc.*

The financial clauses (Part VIII, Articles 132-46) are in the main supplementary to the scheme of Reparation. They deal also with the transfer of any public pre-war debt, necessitated by the new boundaries of Bulgaria, and the priorities of such obligation in relation to reparation charges.

Articles 132, 135, and 138 define the relations between the obligations incurred by Bulgaria under the Treaty, and previous to the war. The rights created and all securities specifically assigned in connexion with loans contracted or guaranteed by the Bulgarian Government before 1st August 1914 remains unaffected. Subject to this, the order of priority is as follows :

1. The cost of any military occupation of Bulgaria after

the Armistice of 29th September 1918. This cost is defined in the usual terms in Article 133.

2. The service of such part of the external pre-war Ottoman Public Debt as may be attributed to Bulgaria in respect of the cession to her of any territory formerly part of the Ottoman Empire.

Article 134, without going into details, lays down the obligation of Bulgaria to contribute to the service of the pre-war Ottoman Public Debt on account of territory ceded by Turkey under the Treaty of Constantinople, 1913, during the time that it remained under Bulgarian sovereignty, and on account of that or any other Ottoman territory finally confirmed to Bulgaria. The sums are to be settled by the Commission to be appointed to deal with the subject.

29. Costs of Reparation, etc.

The Inter-Allied Commission has power by a unanimous vote (Article 132) to place some other charge in front of any charges made by the present Treaty. For example, if Bulgaria wished to raise a loan for some essential purpose, e. g. provision of necessary food or raw material, the Commission would be empowered to make this a prior charge to any treaty financial obligations upon the assets and revenues of Bulgaria. No mention is made of any other debts or loans contracted by Bulgaria in the list of priorities. These may have particular priorities among themselves, but these are no concern of the Treaty. Both pre-war unsecured debt and war-debt come under this head. The Treaty takes no account of the pre-war unsecured debt, except in so far as a portion of it is dealt with in Article 141. Similarly war-debt is left untouched, except in so far as it has already been dealt with in Article 124 (Reparation Part), relating to war claims against Bulgaria by Germany, Austria, Hungary, or Turkey. Bulgaria loses territory as the result of the war, and therefore some provision had to be made for the assumption by the States acquiring such territory of a proportion of the pre-war obligations attaching to that territory. Obviously those States could not be expected to assume responsibility for any war-time debts of Bulgaria, and no elaborate provisions were necessary, as in the case of the old Austro-Hungarian Monarchy.

Article 141 lays down the procedure to be adopted for the purpose of assessing these contributions. Any Power acquiring

Bulgarian territory under the Treaty is to pay a contribution towards the charge for the Bulgarian Public Debt as it stood on 11th October 1915. The Inter-Allied Commission is to fix the amount of this Debt, excluding from the calculation such part of the debt contracted after the 1st August 1914 as was, in their judgment, employed in war preparations. The amount for which each State acquiring territory is to assume responsibility will be also fixed by the Inter-Allied Commission 'having regard to the ratio between the revenues of the ceded territory and the total revenues of Bulgaria for the average of the three complete financial years next before the Balkan War of 1912'.

In addition to this contribution, the successor State will also pay for any property and possessions of the Bulgarian Government (including the Crown) which may be situated within it. The value of such property will be fixed by the Reparation Commission (not the Inter-Allied Commission, presumably because the value affects the General Reparation Fund) and credited to Bulgaria as a part payment of her reparation obligation. (Article 142.)

Article 136 is the usual one about the surrender and valuation of war material.

Article 137 is also common form.

Article 139 deals with a point of some interest and intricacy. Bulgaria in July 1914 was in process of contracting a loan of considerable amount with a German group of bankers. Included in this group were bankers of several other countries. Part of the object of the loan was to pay off certain Treasury Bills long overdue, which were held in Paris and elsewhere. The outbreak of war interrupted the realization of the loan, and the Conference had no exact information available to show whether the loan had or had not been realized in time to make it a pre-war specifically-secured debt. It was, however, certain that the French holders of Bulgarian Treasury Bills had not been paid off in accordance with their rights. The article is designed to give the Reparation Commission, into whose hands the rights of enemy subjects under the loan contracts would naturally pass, the necessary powers for dealing with the loan, after consultation with the Inter-Allied Commission, subject always to the rights of any allied or neutral participants, and of the French Treasury-Bond holders.

Article 140 is common form.

By Article 143 Bulgaria renounces any benefits accruing to her by the Treaties of Bucharest and Brest-Litovsk, 1918, and agrees to return to Rumania or to the Principal Allied and Associated Powers whatever monetary instruments, specie, securities, or goods she may have received under those treaties.

Article 144 is common form.

Article 145 transfers to the Reparation Commission any claims which Bulgaria may have against the other enemy powers for payment or reparation, particularly any claims arising in fulfilment of undertakings made during the war.

This is the complement of Article 124 in the Reparation Part, referring particularly to the claims and counter-claims for war material and services rendered as between Germany and Bulgaria. It is laid down that any sums received by the Reparation Commission on account of Bulgarian claims shall be credited to Bulgaria on Reparation account.

Finally Article 146 provides that any monetary obligations arising out of the Treaty shall be understood to be expressed in terms of gold, and, unless some other arrangement is arrived at, shall be payable in pounds sterling, gold dollars, gold francs, or gold *lire*, at the option of the creditor, such coins to be of the weight and fineness of gold as enacted by law on the 1st January 1914.

CHAPTER I

ECONOMIC RECONSTRUCTION IN THE TREATIES

PART II

INTRODUCTION TO THE ECONOMIC CLAUSES OF THE TREATIES

1. *The 'Economic Clauses' of the Treaties of Peace distinguished from others of an economic character.* The Treaty of Peace with Germany contains four 'Parts' that are sometimes included under the term 'economic provisions'. These Parts are headed, in the Treaty itself, Reparation, Financial, Economic, and Ports, Waterways, and Railways respectively. Each Part was prepared by a separate Commission of the Peace Conference on which each of the Great Powers at least was, generally speaking, represented by different delegates. The work of the Reparation Commission raised large questions both of policy and of politics in the consideration and settlement of which the Supreme Council took a much larger share than in the case of the other Commissions; and the discussions which, since the Treaty was published, have taken place regarding its 'economic' provisions have related for the most part to the Reparation Clauses. The Financial Clauses are largely of a technical character. The Ports and Waterways Clauses are also highly technical, but they are based on a principle of first-class importance for the resettlement of Europe and also for future international relations generally—the principle namely of *freedom of transit*. This principle, in the development of which the British Delegation took a prominent part, was applied to the benefit both of the new land-locked Allied States and of certain enemy countries for which necessary access to the sea was cut off by the Territorial settlement.¹ From the point of view of opening the channels of international commerce by the removal

¹ v. Vol. II, Chap. I, part V, International Communications.

of needless barriers, an interesting contrast might be drawn between the principle of freedom of transit and the German formula of 'freedom of the seas'.

The Parts of the Treaty devoted to Reparation, Finance, and Ports and Waterways are, however, dealt with elsewhere, and the object of the foregoing remarks is merely to make clear the distinction between these Parts and the Part containing the Economic Clauses properly so-called.

2. *The Programme of the Economic Commission.* As already indicated, the Economic Clauses were drawn up by a special Commission, the programme for which was prepared by an Economic Drafting Commission, appointed by the Council of Ten on the 27th January 1919. This Drafting Commission comprised one representative of each of the five Great Powers and met under the Presidency of Monsieur Clémentel, the French Minister of Commerce, who afterwards presided over the Economic Commission.¹ The programme prepared by the Drafting Commission was as follows:

I. TRANSITORY MEASURES.

To consider what economic measures, if any, should be taken in common during the period of reconstruction following the war, with a view to ensuring:

- (a) The due supply of materials and other commodities necessary for the restoration of the devastated areas;
- (b) The economic restoration of the countries which have suffered most from the war;
- (c) The supply of neutral and ex-enemy countries without detriment to the supply of the needs of the Allied and Associated Countries.

II. PERMANENT COMMERCIAL RELATIONS.

To consider what common measures are possible and desirable with a view to the removal of Economic barriers, and the establishment on an equitable basis of the principle of Equality of Trade Conditions in International Commerce.

Under this heading will arise such questions (among others) as Customs regulations, duties and restrictions; the treatment of shipping, including Port facilities and dues; unfair methods of competition, including false trade descriptions and indications of origin, 'dumping,' &c.; and the exceptions and reservations, transitory or otherwise, which may be found necessary to meet special circumstances.

¹ The other members were Mr. Bernard M. Baruch (U.S.A.), Sir H. Llewellyn Smith (British Empire), M. S. Crespi (Italy), and M. Fukui (Japan), who took the place of M. Tatsumi, the original nominee, before the first meeting.

III. CONTRACTS AND CLAIMS.

To consider :

- (1) What provision should be made with regard to pre-war contracts, agreements or commercial obligations to which subjects or citizens of belligerent States were parties ;
- (2) Whether claims should be admitted on either side for damage or injury arising out of the requisition, liquidation, sequestration or sale of enemy property or businesses, or the treatment or use of patents, trade marks, trade descriptions, or designs or copyrights, or regulations relating to trading with the enemy : and, if so, on what basis.

IV. EX-ENEMY ALIENS.

To consider what common action, if any, should be taken by the Allied and Associated Governments to prohibit or regulate the carrying on, either individually or through companies, of certain businesses and occupations by ex-enemy aliens during the period immediately following the war.

V. ABROGATION OR REVIVAL OF ECONOMIC TREATIES.

To consider what Treaties and Conventions of an economic character to which enemy States were parties should be revived or abrogated respectively.

(Under this heading will be considered, among others, the Conventions relating to Industrial Property, Copyright, Posts and Telegraphs, etc.)

The Programme was accepted without change by the Council of Ten, who, however, ordered that the matters comprised under the first heading should be referred to the Supreme Economic Council, and that the Economic Commission, the appointment of which they ordered, should deal with the remainder. The work of the Supreme Economic Council is outside the scope of this Chapter, and it is sufficient here to say that, though manned to some extent by the same people as were engaged not only in the general work of the Peace Conference proper but also in the work of the Economic Commission, the Council operated outside of and separate from the Conference and its work had no important influence on that of the Economic Commission.¹

3. Organization of the Economic Commission. The Economic Commission (as constituted by the Council of Ten) consisted of two representatives of each of the five Great Powers and one representative of each of the following countries : Belgium, Brazil, China, Poland, Portugal, Rumania, and Serbia. The

¹ v. Vol. I, Chap. VIII, part II, for work of Supreme Economic Council.

intention was that these should represent the interests of the whole of the 'Powers with limited interests', but this arrangement was not regarded by these Powers as entirely satisfactory, and the Council of Ten conceded that the delegates of any of the Powers not regularly represented on the Commission might nevertheless attend its meetings when matters in which they were specially interested were under discussion. The Commission set up eight sub-committees of its members to deal with the different sections of its work, viz. Commercial Relations (under an American chairman), Shipping (British chairman), Treaties (Italian chairman), Treatment of ex-Enemy Aliens (Italian chairman), Private Property and Debts¹ (French chairman), Contracts (British chairman), Unfair Competition (British chairman), and Industrial Property (British chairman).² The Sub-Committees reported to the Commission, which in turn reported to the Supreme Council. The Chairman of the Commission itself was drawn from the French Delegation. The French Government also supplied the Secretary-General, who had the co-operation of Secretaries from the United States, British, Italian, and Japanese Delegations.

4. *Analysis of the work of the Commission.* The work of the Commission falls into two divisions according as it relates to the past or future. On the one hand the Commission had to make provision for the settlement of outstanding transactions, the completion of which was interrupted by the wartime prohibition of trading between parties who became enemies. A kindred but distinct problem arose from the measures taken in various belligerent countries for dealing with the property and business of enemies. Such property, or the proceeds of it, had been held in suspense during the war, and a decision as to its ultimate disposal had to be made. Thirdly, Germany's Treaties of Peace with Russia and Rumania, the treaties she made with her Allies during the war, and the concessions she

¹ The subject of Debts (which did not appear in the original programme) was added by arrangement with the Financial Commission, to whom it was originally allotted; and Members of that Commission attended the meetings of the Sub-Committee when the subject was under discussion.

² v. for more detailed lists, Vol. I, App. VI. The Chairman of the Shipping Sub-Committee is there given as M. Bouisson (France), but he could not attend, and the actual chairman was Mr. C. Hipwood, of the British Delegation. The arrangements stated in the text were those for dealing with the German Treaty. Some rearrangements were made for the purpose of the Treaties with other enemy powers with which some of the Allies were not at war.

wrung by military power from invaded countries had all to be abrogated.

On the other hand, consideration had to be given to the state of affairs which would arise (apart from all the pending individual transactions referred to above) when, with the ratification of the Peace Treaty, the war measures prohibiting enemy trading terminated, and economic intercourse with Germany came to be resumed. Before the war, this intercourse was regulated by a complicated network of treaties and conventions. These included such matters as treatment of foreign goods, ships, and persons, through communications (by railway, river, road, by post, telegraph or telephone), prevention of disease, sea fisheries, patents and trademarks, and so forth. Other treaties existed of a character more remotely economic, such as those dealing with civil procedure, the protection of minors, and the establishment of an international concert pitch. Some of these treaties were bilateral, and others multilateral. The question of the effect of war on treaties was one on which international lawyers were divided, but whatever the true doctrine, the Peace Treaty had to make provision by which it should be known, when intercourse with Germany recommenced, whether any particular one of these treaties, multilateral or bilateral, was alive or dead.

Similarly in the special realm of commercial intercourse, it was necessary to determine precisely what Customs tariff should be applied to goods entering Germany, when trade was resumed, and to secure that Allied goods, ships, and individuals in Germany and German ports should receive fair and uniform treatment and be protected from revengeful discrimination.

In that division of the Commission's work dealing with the past, no special question arose as to the duration of the Treaty provisions. The problem was to devise practical schemes for settling a mass of concrete individual cases which actually existed as a direct consequence of the war; and with the settlement of the last of these cases the relevant clauses of the Treaty would be spent. In formulating the future commercial régime, however, the same consideration did not apply, and one of the most difficult problems was to determine the period during which each of the provisions should operate and the conditions (if any) on which it might be thereafter prolonged. The effect of the clauses as finally settled is to impose on the

late enemy Powers unilaterally for the few years immediately following the conclusion of peace, obligations most of which may later on, when normal conditions and relations are restored, be continued on a reciprocal basis in commercial treaties of the usual type; or may find a place in a general convention for equality of trade conditions should it prove possible to secure general agreement on such an instrument under the auspices of the League of Nations.

In this connexion it should be recorded that the Economic Commission, or at least certain members of it, had some discussion as to the possibility of securing assent at the Peace Conference to a general convention on Equality of Trade Conditions, drafts of which were prepared in the American and British Delegations. The pressure of work involved in completing the Peace Treaty led to the idea being dropped, particularly as the uncertainty of the economic outlook in many of the belligerent countries naturally rendered the representatives of those countries unwilling to enter at that time into such an engagement. Just as the principle of freedom of transit may be expected to be generally adopted at the Barcelona international Conference which the Peace Conference agreed to hold under the auspices of the League of Nations, so it may be hoped that the discussions of equality of trade conditions which took place among the representatives of the nations at the Peace Conference may lead to practical results at a later date through the same procedure.

Speaking generally, the work of the Economic Commission did not involve questions of policy in which popular interest was strong, but its task was nevertheless no light one. Not only had agreement to be secured on the broad principles involved, but these principles had to be embodied in detailed, complicated, and often highly technical codes of regulations. The difficulty of the work and its arduous character will be realized when it is stated that the eight Sub-Committees of the Commission held nearly one hundred meetings in the six weeks of March and April during which the clauses of the Treaty with Germany were drafted.

On a very few points alternative recommendations had to be put forward for the decision of the Supreme Council. Otherwise the Commission was able to submit unanimous recommendations, and these were in every case accepted by the Council.

5. *General Background of the Economic Clauses (Sections III to VIII).* The problems and intentions which lay behind Sections I and II of the Economic Clauses have been to some extent indicated above, and are dealt with also by another hand in the following chapter. It may be of interest to draw attention here a little more in detail to the nature of the conditions which Sections III to VIII (also dealt with later) were framed to meet. These Sections include the provisions for the settlement of pre-war debts, the disposal of enemy property, the regulation of pre-war contracts, various legal questions connected with prescriptions and periods of limitation, and the subject of industrial property.

6. *The Difficulty of the Questions at issue.* The task of the Economic Commission in settling these provisions was one of unprecedented extent and complexity. The pre-war position of Germany as a great manufacturing country with an immense volume of foreign trade; the fact that the countries ranged against her in the war were, owing either to their neighbourhood or to their own interests in international trade, linked with Germany by innumerable commercial ties; the world-wide ramifications of German enterprise and the 'economic penetration' which she had effected in the countries that became her enemies; the internationalization of capital and finance, and the interdependence of the nations in matters of credit and exchange; all these factors, if they did not lead on the outbreak of war to the financial and commercial *débâcle* anticipated by some observers, at least meant that the rupture of economic relations which resulted from the outbreak of hostilities was in its far-reaching and fundamental character altogether unparalleled. The range of the 'economic penetration', which for reasons both military, economic, and political had to be countered by measures of control, sequestration, and liquidation of enemy interests in Allied countries, shows the difficulty of the problems the Economic Commission had to solve in settling the final disposal of these interests.

The extent and complexity of the commercial relations between Germany and the countries at war with her (in conjunction with the suddenness with which the war began) meant a correspondingly vast number and variety of interrupted transactions. The continued performance of contracts became impossible, and these contracts might be of any kind

from simple agreements for the delivery of materials or goods, or an ordinary covenant like the lease of a piece of land, up to complicated arrangements say between associated businesses or companies in the two countries. It was no longer possible to pay debts and other moneys due, whether these were simple settlements for services rendered or goods delivered, or periodical payments like rents, interest on mortgages, interest on securities, premiums on insurance policies, or special transactions like the repayment of the capital of Government securities. The amounts claimed from German debtors by creditors in the United Kingdom, for instance, are in the neighbourhood of £50,000,000.

The settlement of such debts involved various questions (such as rate of interest) which naturally arose through payment having been deferred for a period never contemplated when the original transaction took place. The profound disturbance of the international exchanges caused by the war and the widespread depreciation of currency necessitated the inclusion of highly important provisions as to the currency in which, and the rate of exchange at which, settlement should be effected.

7. *Difficulties due to diversity of countries concerned.* The difficulties of all the problems dealt with would have been great enough if only one or two countries on each side had been involved. They were enormously increased by the number of Allied States that had to be considered, and by the fact that these came into the war at widely different dates. In the case of the original participants in the war, the normal tides of commerce were flowing freely when the interruption came that suspended the payment of debts and stopped the operation of contracts. As time went on the volume, character, and direction of international trade all changed as the result of the war, with the result that those countries which entered the conflict later did so under conditions which differed from those of the original participants. For example, commerce between Germany and such countries may have been going on for some time previous with the possibility of war in view, and subject to all kinds of provisos and safeguards in contracts and transactions which were naturally not thought of before August 1914. Each country had reason for looking at the problems of the Economic Commission from its own special point of view, and the differences in the respective laws and

constitutions of the several States and in the war measures taken in each added to the complexity.

The laws of certain countries whereby debts cease to be recoverable after a specific term of years not greatly exceeding the duration of the war, might have enabled repudiation contrary to the principle of enforcing the payment of all pre-war debts. Similarly protection had to be given to persons for whom the war made it physically or legally impossible to fulfil obligations which accrued in an enemy country during the course of hostilities. Where measures of execution had been taken owing to the non-fulfilment of formalities, or judgments been given by German Courts in cases where the defendant was prevented by the war from making his defence, the question of compensation or of restoring the parties to the positions they occupied before the judgment, had to be considered.

8. *Difficulties arising from Territorial Changes.* Besides the special provisions necessary in respect of transactions in invaded or occupied territory, another complicating factor arose from the territorial changes brought about by the Treaty. During the war, the inhabitants of territory transferred by the Treaty had been, as regards the Allies, in the position of enemies, unable to pay or receive their debts or to participate in the execution of contracts; and if they possessed interests in Allied countries, these may have been the subject of the war measures applied therein to enemy interests. On their transfer to an Allied State and their acquisition of Allied nationality, were they to continue to be treated as enemies for the purpose of the debt settlement schemes? If treated as Allies, were the contracts they had freely made with other inhabitants of the enemy country to be annulled like the contracts of the Allied nationals with enemies? If, after the Armistice, but before the ratification of the Peace Treaty, they had come under Allied laws which, by forbidding trade with the enemy, had prevented them settling debts or completing contracts with those who had hitherto been their fellow-countrymen, how was this fresh complication to be dealt with?

Economic problems other than those mentioned above (debts, liquidations, contracts, etc.) arose from territorial changes. For example, care had to be taken to preserve the rights of persons in separated territories who were previously included in schemes of social and state insurance like those

in force in Germany ; and provision had also to be made for securing not only that the industrial property rights of persons in ceded territories continued to be respected in the country from which they were separated, but that the similar rights of persons remaining in that country were respected in the separated territory.

The difficulties connected with territorial transfers, which arose in the German Treaty in connexion mainly with Alsace-Lorraine and Poland, assumed their extreme form in the Austrian and Hungarian settlements, where the original territory was subdivided into a number of States.

This subject of separated territories was by far the most important point in which the Austrian and later treaties required important supplement as compared with the Economic Clauses of the German Treaty. The latter were, for the most part, drafted with the other countries in view, and needed, on the whole, but little modification otherwise to adapt them to the circumstances of those countries.

In the case of Bulgaria certain additional new subjects of importance came into the discussions. Originating in the historical connexion of Bulgarian territory with the Turkish Empire, the Capitulations existed, at least nominally, in Bulgaria ; and from the same origin sprang the importance of the question of concessions, the special problem being the disposal of concessions in transferred territory. The settlement was the occasion of considerable discussion, involving as it did the much debated question of State Succession, a question additionally complicated in the case of Bulgarian concessions by the changes of territory which had taken place during the Balkan wars.

CHAPTER I

ECONOMIC RECONSTRUCTION IN THE TREATIES

PART III

COMMERCIAL POLICY IN GERMAN, AUSTRIAN, HUNGARIAN, AND BULGARIAN TREATIES

1. *The Pre-Armistice Agreement.* The third of the 'Fourteen Points', enunciated by President Wilson on the 8th January 1918, was 'The removal, so far as possible, of all economic barriers and the establishment of an equality of trade conditions among all the nations consenting to the peace and associating themselves for its maintenance.' By some of the President's political opponents this was held to look toward a general reduction of tariff duties by international agreement. But before the end of October 1918, the President explained his proposal :

'I, of course, meant to suggest no restriction upon the free determination of any nation of its own economic policy, but only that whatever tariff any nation might deem necessary for its own economic service, be that tariff high or low, it should apply equally to all foreign nations ; in other words, that there should be no discriminations against some nations that did not apply to others. This leaves every nation free to determine for itself its own internal policies and limits only its right to compound these policies of hostile discriminations between one nation and another. Weapons of economic discipline and punishment should be left to the joint action of all nations for the purpose of punishing those who will not submit to a general program of justice and equality.'¹

Here, as in other utterances, President Wilson linked together his proposal to do away with discriminatory tariffs and his other proposal that the economic weapon be entrusted solely to the League of Nations. His opposition to discriminatory tariffs, it is clear, was prompted not so much by their possible interference with generally beneficial trade relations, or even by their unequal treatment of the traders of different

¹ President Wilson to Senator Simmons, October 1918 ; also a letter of similar purport to Senator Hitchcock, 22nd October 1918. Cf. legal analysis in Vol. II, pp. 318-26, 405-8.

States, as by their coercive uses and effects. The passing of discriminatory tariffs was to be like the reduction of national armaments.

In this way President Wilson rested his proposal on the solidest ground he could find. Modern discriminatory or differential tariffs are either (1) mere *bargaining* tariffs, designed to be used in securing tariff concessions from other States, or (2) instruments for establishing or perpetuating groupings of states on the basis of relatively free economic interchange and resulting economic interdependence—modified customs unions, in fact. The problems they create in the sphere of international relations are more largely political than economic.

Differential tariffs, as well as similar discriminations in other imposts on foreign trade, such as duties on shipping, are very old devices. In particular they have from the beginning been associated with the building up of colonial empires. But in the last thirty years they have acquired, especially in continental Europe, a new significance. There is a new emphasis on their bargaining aspects and a new realization of their possible uses in achieving ends over and beyond, and possibly quite apart from, the protection of national industries.

Despite the fact that the most systematic and consistent development of differential tariffs has been in France, their new significance is closely connected with the rise of German industry and trade to a position of first-class importance. In earlier years the treaties which, in 1834, created the Zollverein, and the commercial treaty of 1860, between France and Great Britain, granting reciprocal favours and guaranteeing most-favoured-nation treatment, had each in turn been followed by the general reconstruction of European commercial systems. But in more recent years the Caprivi treaties of 1891–4 and the German tariff act of 1902, with the conventional tariffs which followed it, have been the pivotal points around which European tariffs have been re-organized.

Particularly significant was the frank recognition in Germany of the meaning and intent of the adoption of the bargaining tariff.¹ Tariffs were seen to be national weapons, to be used in self-defence, in securing favourable concessions,

¹ See, for example, W. Lotz, *Die Ideen der deutschen Handelspolitik* (1892); *Schriften des Vereins für Sozialpolitik*, Bde. 98, 155 (1902, 1916); Percy Ashley, *Modern Tariff History* (1910), Part I, Chap. viii.

and even in dictating the commercial policies of other States. Tariffs, in short, were international matters, to be arranged by international bickering. Each State dealt with its adversaries one at a time, so that by careful strategy and by picking the order in which its opponents should be encountered, a strong and skilful State could impose its will upon them. Practice was of necessity less complete than theory, but went far enough to confirm it. The Russo-German commercial treaty of 1904 is an example. The initial Russian proposals were more extreme and possibly less defensible than the German. But the Russian negotiators had to yield on the more important points, largely because of the simple fact that to Russia, with fewer alternative outlets, the German market was more important than was the Russian market to Germany.

It would be unfair to attribute to Germany a major portion of the blame for a system which, after all, is a product of slow and fairly continuous growth. Germany merely saw its possibilities more clearly than other States did. It is a system, too, which propagates itself from State to State. A bargaining tariff is the best weapon of defence against the bargaining tariffs of other States, and defensive weapons are prone to be used for offence. Only the strongest States, like Great Britain and the United States, can afford to stay outside such a system. Its evils, it must be confessed, are more largely political than economic. The schedules of a bargaining tariff are no more likely to be worse than they are to be better than those of an autonomous tariff.

They may, for bargaining purposes, be made more complicated, more minutely subdivided, but they are less likely to retain, when the bargaining process is completed, those purely retaliatory provisions—clumsy attempts perhaps at bargaining—which disfigure some autonomous tariffs. In fact, on purely economic grounds there is a fairly good case for tariffs made by international agreement as against tariffs made by autonomous national action. But the bargaining system gives the strong State advantages at the expense of the weaker; it leads to the projection of a State's power across its national frontiers so as to influence or dictate the policies of other States; it fosters a world view in which the normal relations of international trade are perversely interpreted in terms of commercial belligerency.

Differential tariffs, however, are by no means the whole of the problem. The international economic relations of the world are governed by a complex network of commercial treaties held together and made at all consistent and tolerable only by most-favoured-nation clauses. The proposals of the 'Fourteen Points', if put completely into effect, would substitute for this mass of uneven and unstable arrangements between pairs of States something like a general or multilateral commercial treaty, providing for most-favoured-nation treatment in respect of some matters and for national treatment in respect of others. Such a convention might properly include not merely tariffs, but the treatment of shipping, consular privileges, and the other ordinary amenities of commercial intercourse—in short such matters as are usually covered in bilateral commercial treaties. This general treaty might also include one such amenity—the abolition of 'unfair methods of competition'—which already is provided for in principle in the (multilateral) Industrial Property Convention, and more fully covered as between a considerable number of States by the Madrid Convention.

2. *The Paris Economic Conference, 14th–17th June 1916.* Very different in spirit and in purpose from the stipulations of the 'Fourteen Points' were the resolutions of the Economic Conference of the Allies, held at Paris on the 14th–17th June 1916.¹ These resolutions were signed by representatives of France, Belgium, Italy, Japan, Portugal, Russia, and Serbia and, within a month, were approved by the British Government. They looked toward an economic alliance of the Allies based in large part upon joint measures of discrimination against the trade of the enemy Powers. For the period of reconstruction following the war they proposed to grant priorities in respect of supplies to the Allied countries and especially to the invaded regions, to refuse most-favoured-nation treatment to the enemy countries, to prohibit or restrict importations from those countries, and to exclude enemy subjects from industrial and professional activities in Allied territories. As a permanent policy, the Allies were to take steps to free themselves of any economic dependence on enemy countries, and, without undertaking to grant reciprocal reductions in tariffs, they were to

¹ Recommendations of the Economic Conference of the Allies, cd. 8271, 1916; v. Text in Vol. V, App. I.

'adopt measures for facilitating their mutual trade relations'.

Short-sighted, impracticable, and running counter to the permanent economic interests of the Allies themselves as this programme was, it found its only possible justification in the fact that if it could be put into effect it might contribute toward a state of preparedness for another war. In many quarters it was not taken seriously. It was interpreted as an aimless release of war passions, as a gesture of intimidation, or, at the most, as an attempt to organize the economic advantages of the Allies so that they could be bargained with to best advantage when peace came to be made. The two most important of the British negotiators have since described it as purely a war-measure.¹

After the United States came into the war, and especially after the enunciation of the 'Fourteen Points', the 'Paris Resolutions' seemed to be receding into a fast-dimming background, even though attempts were made to effect new inter-Allied agreements on some of the matters they covered. But to forget them was to under-estimate their significance. They were probably a fairly accurate expression of French policy, or at least of the policy of the French Ministry of Commerce, and had influential supporters in other countries. They were revived in the French proposals at the Peace Conference. They must be taken into account, along with the 'Fourteen Points', in evaluating the factors that bore upon the framing of the commercial clauses of the Treaties.

¹ Mr. Asquith, at Paisley, 5th February 1920 (*Paisley Policy*, pp. 126-7) :

'The majority of you know perfectly well what the Paris Resolutions were. They were a reply to a declaration of economic war by the Central Powers, Germany and Austria, made at Vienna a few months previously, in which we were threatened, not only with military warfare, but with economic and financial warfare, which was to continue after the military operations were over. The Paris Resolutions were purely defensive, a declaration of policy directed against that contingency, and that contingency only, and they expressly preserved to each country that it should have complete freedom to use its own fiscal discretion and act within the limits of its own fiscal system. There is nothing whatever in the Paris Resolutions which has any application to the circumstances as they now exist, because, as you know, Germany and Austria are impotent to wage anything in the nature of an economic war against us, and there is nothing in them which is inconsistent, or would bind us to do anything which is inconsistent, with Free Trade.

So also Mr. Walter Runciman (*The Times*, 29th March 1920) :

'I was determined that the economic threat and challenge of Mittel-Europa should be met wholly and promptly. . . . All served their purpose, and were out of date when the emergency, political or otherwise, for which they were contrived had passed away. Mittel-Europa had disappeared.'

3. *The League of Nations and Equality of Trade Conditions.*

(a) *The German View.* The Observations of the German delegation on the conditions of peace urged that, on the strength of the preliminary agreement, Germany was entitled to demand 'that the economic provisions of the treaty shall be drawn with full regard to the perfect equality of Germany's rights with those of the other nations'.¹ But, as the German delegates themselves recognized, the question was merely one aspect of the larger question of Germany's immediate admission to the League of Nations. President Wilson's proposal for equality of trade conditions related specifically to 'the nations consenting to the peace and associating themselves for its maintenance'. And apart from this, Germany's case was distinctly weakened, her opportunity to get some measure of moral advantage out of the situation thrown away, by the failure of her delegates to give to equality of trade conditions any large meaning beyond what was indicated by Germany's own immediate interests.² Cessation of economic warfare, equality of rights for alien traders, and freedom of transit trade, were their principal proposals. In other respects individual States were to be free to determine their own commercial policies and to enter into special agreements with other States. But, to escape from the one-sided obligations imposed on her by the Treaty, Germany was willing to grant to the Allied Powers reciprocal most-favoured-nation treatment for a restricted number of years. Careful study of these German counter-proposals must lead to the reluctant conclusion that they gave lip-service only to the ideal of equality of trade conditions. Back of them there was a clearly indicated solicitude for the principles which had dominated German commercial policy before the war. Here, as elsewhere, the German Reply falls woefully short of rising to the real opportunities the situation afforded.

(b) *The American View.* In the first drafts of the American proposals for a League of Nations,³ attributed to President Wilson

¹ v. Vol. II, pp. 319, 405-6.

² See *Comments by the German Delegation on the Conditions of Peace*, Second Part, Sections I and V (*International Conciliation*, no. 143, pp. 25-8, 79-83); cf. also our legal discussion on this point, Vol. II, pp. 318-22, 405-6, and chapter on International Communications, Vol. II, pp. 99-100, 102-4.

³ *Hearings on Treaty of Peace with Germany before Senate Committee on Interstate Commerce*, 6th Congress, 1st session, Doct. no. 106, pp. 1165, 1171.

himself, there are no provisions for equality of trade conditions. A little later, however, a tentative formulation of possible proposals was prepared by some of the technical advisers attached to the American Commission.¹ This tentative draft serves to indicate not merely the possible scope of such provisions, but also the very serious difficulties that stood, and still stand, in their way.

In these proposals colonial as well as national tariffs and trade regulations were brought under the general rule that preferences and discriminations should be forbidden. In export and import prohibitions and duties, port dues, traffic rates, and similar matters equal (i. e. most-favoured-nation) treatment was to be required; national treatment was to be accorded to vessels (except that national rights in the coasting trade were reserved); tariffs and other imposts on trade were not to discriminate as between the places of its original or intermediate origin or of its intermediate or ultimate destination. Direct or indirect bounties on exports were to be prohibited. States engaged in international trade were not in respect thereof to have any of the immunities or obligations of sovereignty. To prevent infringement of national independence through financial pressure, it was proposed that no State should assign any part of its revenues to any other State or its citizens.² There was to be reciprocal protection of legitimate international trade as well as protection against the use of unfair methods in international trade. The contracting powers were to be bound by the provisions of the Washington Convention of the 2nd June 1911 for the Protection of Industrial Property. Finally, an International Trade Commission was to be set up under the League of Nations.

The immediate realization of all parts of so revolutionary a programme as this would have been impossible. It would have outlawed not only the differential tariff systems of European and South American States, and of Japan, but also the imperial preference tariffs of the British Dominions, and the colonial tariff systems of France, Italy, Portugal, and the United States. The American advisers proposed, therefore, that existing discriminations should not be affected by these

¹ *Senate Committee Hearings*, p. 1209.

² Suggested by a provision of the Anglo-Russian Convention of 31st August 1907, regarding Tibet.

provisions, and that the British Dominions should be permitted, by way of exception, to make preferential arrangements among themselves and with Great Britain. Furthermore, room was made for possible customs unions, whether in Europe or in the American continents.

(c) *French Proposals.* These suggestions are important because they represent an attempt to give concrete meaning to the phrase, equality of trade conditions. That there are other important aspects of the problem is suggested by certain proposals submitted by the French delegates to the Economic Commission. These included engagements to prohibit unfair competition in international trade, to take measures against dumping, and to levy neither export nor import duties on raw materials. The purpose of this last proposal, important as it was radical, was 'to put an end, so far as possible, to international rivalries in the search for raw materials, to suppress many of the causes of the economic conflicts that endanger the world's peace, and to offset the natural inequalities arising from the geographical distribution of resources'.

(d) *Clause as revised in the Covenant.* There is no evidence that the suggestions of the American advisers were ever seriously urged or even seriously discussed. But in the subsequent revision of President Wilson's project for the Covenant of the League of Nations, presented by the American delegates to the Commission of the League of Nations, there is a new clause :

'It is further covenanted and agreed by the Contracting Powers that in their fiscal and economic regulations and policy no discrimination shall be made between one nation and another among those with which they have commercial and financial dealings.'¹

This, it is clear, went further than the clauses suggested by the American advisers in that it covered relations with States outside the League. In another draft of the Covenant, in which British suggestions had been incorporated, it was replaced by this clause of more modest purpose :

'The High Contracting Parties will agree upon provisions intended to secure and maintain freedom of transit and just treatment for the commerce of all States members of the League.'²

¹ *Senate Committee Hearings*, p. 262.

² *Ibid.*, p. 1230.

In the Covenant as finally agreed to and embodied in the treaty this clause is further weakened. It reads :

‘ Subject to and in accordance with the provisions of international conventions existing or hereafter to be agreed upon, the Members of the League . . . will make provision to secure and maintain freedom of communications and of transit and equitable treatment for the commerce of all Members of the League. In this connection, the special necessities of the regions devastated during the war of 1914–1918 shall be borne in mind.’¹

The special concession to the needs of the devastated areas prompted by a French proposal has no permanent importance. The significant difference between the clause as it stands and as it was in its last previous form (and as it appeared in the first report of the Commission on the League of Nations to the Plenary Conference) is that it gives no definite assurance of joint agreements by the members of the League, though there was an understanding that an endeavour would be made to reach a general arrangement through the League of Nations. Left to individual national interpretation and action ‘ equitable treatment ’ may be construed to be something very different from ‘ equality of treatment ’.

To this must be added, however, the provision for the ‘ open door ’ in regions administered by Mandatories. Where, as in Central Africa, it is proposed to make the Mandatory directly responsible for the administration of the territory, the Mandatory ‘ will also secure equal opportunities for the trade and commerce of other Members of the League ’. In the earlier drafts of the Covenant the ‘ open door ’ was stipulated for all regions that were to be put under the Mandate system. Its restriction to the more backward of such regions came when the distinction was made between administrative and merely tutelary Mandatories.

(e) *Summary of Progress made.* The positive contribution of the Treaty to progress toward greater ‘ equality of trade conditions ’ is small. The explanation of the failure to give a more effective expression to the third of the ‘ Fourteen Points ’ is to be found in two sets of circumstances.

In the first place, agreement upon any specific programme that would have had much real significance would have been exceedingly difficult, or would have been purchased at the

¹ Germany, 23 ; also in other Treaties.

expense of compromises on other matters that seemed, rightly or wrongly, to have more immediate importance. Preliminary conversations among the members of the technical staffs attached to the different delegations went far enough to show very clearly that proposals like, for example, those suggested by the American technical advisers would meet with small favour, even though they legalized all existing discriminatory arrangements and were aimed only against new ones.

For one thing, the opinion dominant in France was expressed more accurately by the Resolutions of the Paris Economic Conference than by President Wilson's stipulation. The war had strengthened the hold of neo-mercantilism on French policy. France's denunciation in 1918 of her most-favoured-nation agreements was a significant gesture.¹ For a score of years, at least, these clauses had been increasingly unpopular. Especially irksome was the corner-stone of the whole system—the most-favoured-nation clause of the Treaty of Frankfurt, which bound France and Germany reciprocally, but only with respect to favours either of them might grant to Great Britain, Belgium, the Netherlands, Switzerland, Austria, or Russia. In France it was firmly believed that this clause, limited as it was, had worked to her disadvantage, although at the time its inclusion in the Treaty of Frankfurt had been regarded as a notable victory for the French negotiators.

France did not stand alone in her after-the-war commercial policy. The Italian attitude, for example, was similar. And for men everywhere the problems of national commercial policy had been coloured by the war. It was inevitable that many statesmen should think, in terms of national or imperial self-sufficiency, of the control of raw materials, of economic preparedness for war, of the advantages that the traders of one nation or another might get at the start in the renewal of the competition for foreign markets—of national control for national ends, in short, rather than of 'the removal of economic barriers'. It is quite probable that Great Britain and the United States could have come to an agreement on some important fundamentals. But even as

¹ The French law of 29th July 1919, by empowering the Government to negotiate commercial treaties that fix customs duties intermediate between the legal maximum and minimum tariffs, is intended to pave the way to greater 'flexibility', that is, to greater differentiation in the French tariffs.

between those two States there were found to be difficulties over and beyond the obvious ones associated with Imperial Preference, the Philippine tariff, and certain minor British and American trade discriminations. For example, the proposals for universal guarantees of freedom of transit, which the British delegation had especially at heart, were such as the United States might have had some difficulty in accepting.¹

In the second place, it was impracticable to include in the Treaty specific international agreements for equality of trade conditions because, in this as in other matters, the difficult and time-consuming task of determining the new principles that should govern the relations of the Allied States, one with another, had to yield to the greater urgency of determining the necessary conditions of peace. The necessities of the case had much to do with restricting the Treaties, aside from the Covenant of the League of Nations, very largely to the obligations imposed upon the defeated States and to the necessary administrative arrangements. It is not altogether clear, however, just why a British proposal—which met with much favour—that an international commercial conference to deal with these matters be convened by the League of Nations was not incorporated in the Treaties.

But despite these difficulties the general principle of equality of trade conditions was finally given new and fairly explicit recognition. With reference to the commercial clauses of the Treaty the following explanation was made to the German delegation.

‘The principles which the Allied and Associated Powers desire to bring into application when the world returns to normal conditions are those which President Wilson has enunciated on various occasions in his speeches and which are embodied in Article 28 (e) of the Covenant of the League of Nations. . . . After the necessary period of transition is over, and when a reformed Germany is admitted to membership of the League of Nations, the Allied and Associated Powers will be able to co-operate with her in arriving at a more permanent arrangement for the establishment of an equitable treatment for the commerce of all nations.’²

¹ v. Vol. II, pp. 105–6. On one point (transit) there was unanimous agreement: inland States must have free access to the sea. Vol. II, pp. 109, 388, 409.

² Reply of the Allied and Associated Powers to the Observations of the German Delegation on the Conditions of Peace, Part X, 1. Misc., No. 4 (1919), pp. 42–3, Cmd. 258. Cf. Vol. II, pp. 320–2.

4. *The Economic Drafting Commission.* There was some uncertainty at first with respect to the precise scope of the economic relations with the ex-enemy Powers that should be dealt with in the Treaties. It was clear, however, that the problems involved were complex and many-sided. To some, in view of these difficulties, it seemed wise to make short shrift of the matter by merely legalizing the pre-war status. But this was out of the question. There were too many new problems and too many new interests. Commercial treaties with the enemy powers had been disrupted by the war. Something, if only a new point of departure, had to take their place.

In their preliminary arrangements for the Conference the representatives of the Great Powers did not venture to arrange a definite programme for dealing with these topics. Instead, the matter was referred to an Economic Drafting Commission.¹ The plan finally recommended followed, in the main, the British proposals, which were based upon a careful review of the problems of which disposition had to be made. The American proposals were similar to the British, but looked toward a simpler and more general treatment of these problems and, consequently, toward a simpler organization for dealing with them. The French proposals covered much of the same ground, but in addition made room for such matters as were covered in the Resolutions of the Paris Economic Conference.

The Economic Drafting Commission did not presume to attempt to forestall discussion of any important proposal. Its task was merely to plan a working organization to draft the economic clauses of the Treaties. It happened, however, that it grouped some of the more important French proposals together, as relating primarily to a transitional period following immediately upon the coming into force of the Treaties. When the report of the Drafting Commission came before the Council of Ten this group of problems was taken out of the hands of the Economic Commission and referred to the Supreme Economic Council, which had been set up to deal with current questions of finance, food, blockade control, shipping, and raw materials (v. Vol. I, pp. 296-303). While not precluding further discussion of inter-Allied policy with respect to the

¹ This commission was created at the second meeting of the Plenary Conference. There was some delay before the Economic Commission, for which the report of the Drafting Commission provided, was finally set at work.

proposed transitional arrangements, this action took them out of the Treaties.

Back of the proposals for a special régime for the transitional period there was a warrantable feeling of the injustice of permitting Germany's industries to gain a fresh advantage in foreign markets at the expense of the industries her armies had destroyed. Doubtless there was a tendency to under-estimate the extent to which German industries, likewise, had been stripped for the benefit of the German armies, and to over-estimate the strength of Germany's economic position, as well as to forget the intimate connexion between Germany's ability to export goods and her ability to make reparation payments.

But, quite apart from the wisdom of the proposed transitional régime, it would have encountered insuperable practical difficulties. Special restrictions upon Germany's foreign trade, coupled with priorities for the needs of the industries of the devastated regions, would have made it necessary to continue not only the machinery of inter-Allied economic co-operation, but also an effective national control of trade in each Allied country. And that was quite out of the range of possibilities.

5. *Customs Regulations, Duties, and Restrictions.* The economic clauses, as formulated by the Economic Commission and finally incorporated in the Treaties, provide that the ex-enemy Powers guarantee most-favoured-nation treatment to the Allied and Associated Powers ¹ (although that phrase is not used) for a period of five years in the case of Germany, and of three years in the case of Austria, Hungary, and Bulgaria. There are no assurances of reciprocity. These guarantees cover export and import prohibitions, duties, and regulations, and privileges granted to transit trade. To these must be added the undertaking to base no discriminations in the treatment of exports or imports or in transportation charges upon the frontiers which goods cross, upon the vessels in which they are carried, upon routes, places of trans-shipment, places of original, intermediate, or ultimate departure or destination, or upon the ports through which they enter.² There must also be taken into account the provisions for freedom of transit

¹ Germany 264-7; Austria 217-20; Hungary 200-3; Bulgaria 147-50.

² Germany 323, 325, 326; Austria 286, 288-9; Hungary 270, 272-3; Bulgaria 214, 216.

trade, drafted by the Commission on Ports, Waterways, and Railways.¹

There was very little difference of opinion with respect to the propriety of requirements like these. French, Italian, British, and American proposals all contained draft clauses of similar general purport, covering the treatment of exports and imports. It is likely, however, that the grounds on which these requirements commended themselves to different delegates were not alike. To some they were important because they protected their own countries against hostile discrimination or possible economic pressure. To others they were a temporary safeguard against unknown and vaguely-imagined possibilities of new and dangerous political and economic alliances. And some approved them because they were (apart from the lack of reciprocity) reasonable in themselves, not calculated to delay Germany's economic recovery or to lessen her capacity to make reparation payments, and because, furthermore, to hold Germany down for a while to a non-discriminatory tariff might have a wholesome effect on the general European tariff situation and might afford an important precedent when the members of the League of Nations came to make provisions to secure general and reciprocal 'equality of trade conditions'.

Such difficulties as arose centred around the conditions on which this special régime should terminate. It was suggested that the obligations imposed by these clauses should terminate at the end of five years except as towards such States as should concede reciprocal treatment. But even this savoured too much of the Treaty of Frankfurt to be generally acceptable. It was also proposed that the obligation of most-favoured-nation treatment should continue for at least five years, and for a longer period unless the Council of the League of Nations should otherwise order. But, as finally agreed to, the obligation ceases at the end of five years unless the Council of the League continues it.² The requirement of a unanimous vote in the

¹ Germany 321, 379; Austria 284, 331; Hungary 268, 314; Bulgaria 212, 248.

² Germany 280. The provisions relating to transit trade, however, like other clauses in Part XII (Ports, Waterways, and Railways) establishing a temporary non-reciprocal régime, lapse at the end of five years unless reciprocity is accorded or unless the five-year period is prolonged by the Council of the League of Nations. Germany 378; Austria 330; Hungary 313; Bulgaria 247. In the last three cases the provisions cease in three years.

Council obviously makes the precise form of this arrangement important.

6. *Exceptional Arrangements for the Ceded Territories.* It would have been injurious to the interests not only of Alsace-Lorraine, but of Germany as well, if the new frontier had meant from the beginning a new tariff barrier. That there must be special transitional arrangements was recognized by all. The first suggestion was that products originating in Alsace-Lorraine should be exempt from German customs duties for ten years, or more. But any such period was too long. The corresponding obligation imposed upon France by the Treaty of Frankfurt was for only twenty-two months, with a sliding scale, so that during the last twelve months of the period imports from Alsace-Lorraine were subject to at first a fourth and then a half of the French customs duties applicable to similar products originating in other parts of Germany.¹ The conditions, however, were vastly different. Not only was the general economic condition of Europe in 1871 much sounder than in 1919, but the industries of Alsace-Lorraine were smaller, less specialized, and therefore less dependent on particular markets. The growth of the Alsatian textile industry is a case in point. The fine muslins and cotton prints of the Mulhouse mills have been sold largely in the German domestic market, only a small part being exported. The producers of Alsace-Lorraine were especially interested in keeping the German market open for a while for such goods as neither the French nor the export market could absorb. These included textiles, metallurgical products, leather and hides, and wines and spirits. The interests of the iron ore of Lorraine were adequately safeguarded by the needs of the German smelting industry. The French, in fact, would have been content if only a selected list of products had been exempted from the German customs dues. But the clause as it stands covers all goods originating in Alsace-Lorraine (in quantities not greater than the average sent annually in 1911-13), and holds for a period of five years.² Reciprocal treatment of imports from Germany, which might likewise

¹ Treaty of Frankfurt, Article 9, and supplementary convention signed at Berlin, 12th October 1871. The Germans had proposed a six-year period.

² Germany 68, 268 (a).

have been to the economic advantage of Alsace-Lorraine, was not provided for in the Treaty. Protectionist feeling in France made it impossible; moreover, when in 1871 the French had tried to secure a reciprocal arrangement, Bismarck had set himself against it, and had yielded only with respect to certain French raw and partly finished materials, essential to the industries of Alsace-Lorraine.¹

This exception for Alsace-Lorraine produced other exceptions as a matter of course. In the case of Luxemburg, which ceased to be a part of the German customs union on the 1st January 1919, the Allied and Associated Powers reserved the right to require Germany to agree to an arrangement like that made for Alsace-Lorraine.² For the Polish territories which were formerly parts of Germany the period during which Germany cannot erect a tariff frontier is fixed at three years.³ But Poland, in return, not only guarantees freedom of transit between East Prussia and the rest of Germany, but also agrees to permit the free exportation of coal from Upper Silesia (in case that region should be transferred to her) for a period of fifteen years.⁴ The power reserved by the Allied and Associated Powers to institute a special customs régime on the German territory occupied by their troops if necessary 'to safeguard the economic interests of the population',⁵ merely provides, it is to be hoped, for a very remote contingency. This right lapses at the end of five years unless continued by the Council of the League of Nations, although the period of occupancy is fifteen years.

7. *Austrian, Hungarian, and Bulgarian Treaties.* In the Austrian and Hungarian treaties the solution of this problem is simpler. Austria is permitted to make arrangements for a special customs régime with Hungary or with the Czecho-Slovak State, but only for a period of not more than five years.⁶ On economic grounds there is no reason why this

¹ Thiers, *Notes et Souvenirs*, p. 220; May, *Traité de Frankfurt*, Chap. XIII.

² Germany 268 (c). Luxemburg may also share in the other economic rights stipulated in favour of the Allied and Associated Powers. (Art. 41.)

³ Germany 268 (b).

⁴ Germany 89, 90. Cf. similar agreements: Austria 224; Hungary 207, with Czecho-Slovakia and Poland for supply of coal, food, raw materials, etc.

⁵ Germany 270.

⁶ Austria 222. Cf. Hungary 205; no similar provision appears in the Bulgarian Treaty. The celebrated project of the economic Danubian Confederation, so much feared by Italy, was of course in the minds of many at this time.

provision for a modified customs union within the former Austro-Hungarian Empire should have had any time limit put upon it. The purpose of the limit is quite obviously political. It is not improbable that this clause will have to be revised.

8. *Limitations on Changes in Tariffs.* With the promise that the trade of the Allied and Associated Powers should not be discriminated against, it was the dominant opinion at Paris that Germany should have a free hand to raise or lower her own customs duties. Any other attitude would have been inconsistent with the demands made of her for reparation payments. Her tariff may be used as the means not only of raising revenues in gold or foreign currencies, but also of curtailing unnecessary consumption by curtailing unnecessary imports, of stimulating her industries that produce for export by lessening the cost of imported raw materials—in short, of securing that excess of exports over imports upon which her ability to meet her reparation obligations fundamentally depends. After six months from the coming into force of the Treaty a large freedom is given to her. But for three years she cannot raise the duties on certain commodities above the lowest (i. e. most-favoured-nation) duties in effect before the war.

The list comprises the *conventional* duties covered by the first section (farm and garden products) of the German tariff of 1902, together with wine, vegetable oils, artificial silk, and washed or scoured wool.¹

The problem back of this clause is more largely political than economic. Before the war, and even in some measure during the war, the German market had been an important outlet for the fruits and vegetables of Italy. These products, together with wine and vegetable oils, had occupied an important place in the negotiations leading up to the commercial treaty of 1904 between Italy and Germany. With that treaty abrogated and with her own bargaining power limited by Germany's obligation to give her no favours which were not given also to the other Allied and Associated States, Italy feared that Germany might find in this situation an opportunity to exert

¹ Germany 269. As against Austria the list is specifically limited to fruits, fresh vegetables, olive oil, eggs, pigs and pork products, and live poultry. Austria 228; Hungary 206. No such article in Bulgarian Treaty.

economic pressure, or that at least there would be serious domestic political dissatisfaction if these interests were not safeguarded. The other commodities—artificial silk and cleaned or scoured wool—are important Belgian exports to Germany. The possible net effect of this three-year restriction on Germany's customs revenues is exceedingly small. But it lessens, in some measure, her ability to restrict unnecessary imports.

9. *Shipping.* In the economic clauses of the Treaty the vessels of the Allied and Associated Powers are assured most-favoured-nation treatment with respect to sea-fishing, the coasting trade, and towage, even in German territorial waters.¹ The waterways clauses do not appear to be in any way inconsistent with this, and so Germany is not prohibited from reserving her maritime coasting trade.² Most-favoured-nation treatment is probably all that the Allied and Associated Powers were really entitled to ask. Great Britain alone among the Great Powers opens her coasting trade to foreign vessels, and in the Economic Commission, at least, the British delegates declared themselves opposed to asking national treatment in Germany's coasting trade.

10. *Economic Rights of Aliens.* A sub-committee of the Economic Commission discussed the question of what joint action, if any, should be taken by the Allied and Associated Powers in restricting the right of ex-enemy aliens to engage in trade or the professions within their territories.³ The decision was quickly reached that the matter should be left to the discretion of each State. But a corresponding freedom of action is not conceded to the ex-enemy Powers.⁴ They must give the nationals of the Allied and Associated Powers most-favoured-nation treatment with respect to the exercise of occupations, trade, or industry, and national treatment with respect to taxation. Furthermore, they must not impose restrictions

¹ Germany 271. Cf. Bulgaria 152, but only for five years. v. Bulgaria 160. Austria and Hungary have now no coasts.

² Germany 327. Compare Austria 290, Hungary 274, Bulgaria 218. There has been some dispute about this, but the above appears to be the better opinion.

³ Cf. the resolutions of the Paris Economic Conference, App. I.

⁴ Germany 276-8, 280; Austria 228-30, 232; Hungary 211-13, 215. v. also Germany 298, protection in the future of Allied property restored to its owners in Germany. Germany 306, treatment of German industrial property in the future in Allied Countries. These complete the provisions of the economic clauses dealing with the future treatment of persons and property in Germany and the Allied countries respectively.

upon the nationals of the Allied and Associated Powers which are not imposed on their own nationals, except for restrictions which existed before the war. This last provision has the effect, among others, of tying the hands of Germany and Austria with respect to the control of immigration and of land-ownership by aliens. If it were less skilfully drafted it might prove an embarrassing precedent for the United States and to the British Dominions. It should be noted, however, that this group of clauses continues in force after five years for only such additional period, not exceeding five years, as may be determined by the Council of the League of Nations.

11. *Unfair Competition.* The ex-enemy Powers agree to suppress by seizure the exportation, importation, manufacture, or sale of goods with false indications of origin.¹ They also agree, on condition of reciprocity, to respect the laws and decisions of any Allied or Associated State relating to the regional appellations of wines and spirits.² The first of these two obligations accords with the Madrid Convention, to which most of the European Allied States were already adherents. The second gives to French wines and spirits a protection which had been needed. Austria, Hungary, and Bulgaria are to adhere to the Berne Convention for the protection of copyrights.³

In interesting contrast with these clauses, all of which establish what are virtually reciprocal rights, is a clause in the Economic Treaty of Bucharest (1918),⁴ in which the Central Powers openly stipulated that as a basis of being accorded certain rights by Rumania, their goods need not carry indications of origin, but need only be marked in such a way as to distinguish them from Rumanian goods.

12. *Commercial Treaties.* The clauses fixing the status of multilateral and bilateral conventions and treaties are carefully phrased so as to avoid any implication that a particular doctrine is adopted with respect to the termination or non-termination of commercial treaties by the fact of war. One or two rather sweeping formulæ were suggested for adoption as

¹ Germany 274, Austria 226, Hungary 210, Bulgaria 154.

² Germany 275, Austria 227, Hungary 210, Bulgaria 155.

³ Austria 239, Hungary 222, Bulgaria 166. Germany is a party to this convention, as are all the more important Allied and Associated Powers with the exception of the United States.

⁴ Art. A. V. 1a. of the German text as published in the *Norddeutsche Allgemeine Zeitung*, 15th May 1918.

declaratory of general principles. But the American delegates were unable to accept any of the proffered formulæ, and held that it was both unnecessary and unwise to do more than deal with the specific problems in hand. This view, shared by the representatives of other States—Italy and Brazil, for example—prevailed.

Most of the multilateral conventions to which Germany or Austria, together with one or more of the Allied and Associated Powers, were parties will remain in effect as between them.¹ Some special interest attaches to this because the international bureaux already established by general treaties are to be placed under the direction of the League of Nations if the parties to such treaties consent.²

In some cases conditions are attached to the maintenance of relations with the ex-enemy Powers under these conventions. Thus, for the Postal and the Telegraphic Conventions, there is the reasonable stipulation that the new States are to be admitted. With respect to the Railway and the Radio-Telegraphic Conventions, however, the ex-enemy Powers agree to be bound by whatever revised conventions may be concluded within five years, even if they should refuse to participate in drafting them or to subscribe to them.³ They must, moreover, be bound in the meanwhile by provisional radio-telegraphic regulations communicated to them by the Allied and Associated Powers. This last provision was held by some of the technical experts at Paris to be necessary by reason of the important changes during the war in the usages and practices of wireless communication. Some believed it wise to establish at once a new inter-Allied radio agreement, replacing the Convention of 1912, but the majority of opinion was otherwise. The immediate importance of the subject is largely military, especially as relates to the maintenance of communications between western and eastern Europe, but it is possible that commercial considerations were not without some influence on the discussions.

The agreed list of the enumerated multilateral conventions that are alone to be maintained (Germany 282, etc.) marked

¹ Germany 282-7, Austria 284-40, Hungary 217-23, Bulgaria 162-7.

² Art. 24 of German, Austrian, Hungarian and Bulgarian Treaties. All new international bureaux and commissions are also to be placed under the League.

³ Germany 284, 366 ; Austria 286, 313 ; Hungary 219, 296 ; Bulgaria 164, 287.

the passing of the Brussels Sugar Convention of 1902. This had expired by limitation on the 31st August 1918, and it had been virtually ineffective since its renewal in 1912, and in large measure since its previous renewal in 1907. Despite its failure, attributable for the most part to special conditions which influenced the attitude of Great Britain and of Russia, it retains its historic significance as the first attempt to control customs duties and export bounties by a general international agreement looking toward greater equality of trade conditions.

The fixing of the status of bilateral treaties was a difficult problem. Many of them, at least, had been abrogated by the war. It was impracticable to incorporate in the peace treaties special and separate arrangements between the ex-enemy Powers and the different Allied and Associated Powers. Of course, the general clauses of the treaties cover much of the ground which the pre-war commercial treaties had covered. But it was represented that there remained important national interests which were not adequately safeguarded. The solution reached was to give to each Allied or Associated Power the option of reviving or not, as it pleased, its former treaties with ex-enemy Powers, so far as these were not inconsistent with the Treaties of Peace.¹ This one-sided arrangement is of necessity only temporary. The treaties affected either expire by limitation within a relatively few years, or may be denounced by either contracting party upon due notice.

The abrogation of all treaties concluded during the war between any two of the ex-enemy Powers is, like the abrogation of the treaties of Brest-Litovsk and Bucharest, an easily explainable provision.² The abrogation of pre-war treaties between those Powers and Russia is, in principle, not so easily justified, but is of little or no practical consequence. By other clauses the Allied and Associated Powers gain, without reciprocity, all rights and advantages granted in pre-war treaties between ex-enemy Powers, or even in treaties or other arrangements concluded between one of those Powers and a non-belligerent State during the war.³ The advantages likely

¹ Germany 289, Austria 241, Hungary 224, Bulgaria 168.

² Germany 290, 292; Austria 242, 244; Hungary 225, 227; Bulgaria 169, 171.

³ Germany 291, 294; Austria 243, 246; Hungary 226, 229; Bulgaria 170, 173.

to be gained in this way are trifling. The principle involved is not easy to defend.

13. *The Commercial Relations of the New States.* The treaties shift and multiply political boundaries, especially in Eastern Europe. In this way they create new economic barriers. All the economic considerations that justify the exceptional customs régime which Germany concedes to Alsace-Lorraine, Poland, and Luxemburg, hold with equal force with respect to the commercial relations of the new States among themselves and with their neighbours. Neither the new States nor Europe as a whole are economically strong enough to incur without serious shock the lessening of economic productivity that comes from blocking the established channels of trade. The old system of economic interchange and interdependence in Eastern Europe was in part artificial, having grown up within high tariff barriers, but it cannot be suddenly broken up without serious disturbance and loss. This is true in especially marked degree of commercial relations within the former Austro-Hungarian Empire and between Poland and Russia.

Doubtless these difficulties would not have disappeared at once even if complete freedom had been given to the new States to form customs unions or to enter into other special economic arrangements. The new States themselves are likely to express their new national independence by attempts to assert and secure economic independence as well. But the pressure of economic interest and necessity would have been in the other direction, and in the end it must have prevailed.

So far as the territories of the former Austro-Hungarian Empire are concerned, the problem is partially taken care of by the provision which permits, though for five years only, Austria, Hungary, and the Czecho-Slovak State to enter into special customs arrangements.¹ Poland cannot give exceptional tariff concessions to 'any State with which, since August 1914, the Allies have been at war', nor to the Czecho-Slovak State, if that State enters into special customs arrangements with Austria.² This provision may have an unfortunate effect upon

¹ Austria 222, Hungary 205.

² Polish Minorities Treaty, 28th June 1919: 'Article 15. Poland undertakes to make no treaty, convention or arrangement, and to take no other action which will prevent her from joining in any general agreement for the equitable treatment of the commerce of other states that may be concluded under the auspices of the League of Nations within five years from the coming into force of the present Treaty.

the economic life of Galicia, or of Polish territories that were formerly Prussian. But Poland is left free, it would seem, to enter into special customs arrangements with Russia or with States whose territories were formerly part of Russia.¹

In these provisions the importance of the problem is recognized. Probably they go as far toward a solution of the problem as was humanly possible under all the conditions that existed at Paris. For in these matters, as elsewhere, purely political considerations, or at least political interests, seemed to point in another direction. A British draft of a convention regulating the commercial relations of the new States, it is proper to say, would, if adopted, have given them a considerably larger degree of commercial freedom. But the clauses as they stand merely afford what is admittedly a temporary and tentative solution. A more permanent arrangement will have to be arrived at under the League of Nations after the political problems of Eastern Europe have been more definitely settled.

14. *General Observations.* Taken as a whole, and apart from any general background, the commercial clauses of the treaties give an impression not so much of unnecessary harshness as of unnecessary and meticulous concern for the interests of the Powers that framed them. This impression is largely a cumulative effect, resulting from the heaping together of a mass of stipulations, many of which are of small importance in themselves. This was in part an inevitable outcome of the way in which the treaties were framed. The different topics to be treated were parcelled out among a large number of commissions and sub-commissions, each responsible for drafting only a very small part of the treaties, each desiring to cover its own subject in a thorough manner, and each unable, in the nature of the case, to get a broad view of the treaties, or even of their economic clauses as a whole.

There were other difficulties that were even more fundamental. The whole situation was unprecedented, and, in a manner, anomalous. The representatives of a large group

¹ Poland also undertakes to extend to all the Allied and Associated States any favours or privileges in customs matters which she may grant during the same period of five years to any State with which since August 1914 the Allies have been at war, or to any State which may have concluded with Austria special customs arrangements as provided for in the Treaty of Peace to be concluded with Austria. For special customs arrangements v. Austria 222, Hungary 205.

of States were jointly determining the conditions on which peace should be made with a group of enemy States, and were dealing with those States one at a time. It was inevitable that there should be no definite focussing of responsibility. Large and general interests were always in danger of being subordinated to small and special ones. And in practice it is hard to recognize any one special interest without recognizing others. The effect produced upon the attitude of men, who had lived for four years under the shadow of imminent national disaster, must be recognized with sympathy and understanding. Safety, economic as well as military, had to be secured at whatever cost.

But there is another, and on the whole, a sounder interpretation of these commercial clauses. Their possible effect in delaying the economic recovery of Europe is exceedingly small. For the most part they merely establish a temporary and probational régime. They are one-sided, because the task was to establish the immediate conditions of peace and not to determine the economic relations and obligations of the victorious Powers. For the same reason they are largely negative, inhibitory, rather than constructive. They are like a temporary framework set up to hold things in place until an enduring structure can be erected. It is clear that some of them cannot last; certain provisions are even now in need of revision. But in such stipulations as those for non-discriminatory treatment of the trade of the Allied and Associated States and for freedom of transit they create standards and establish precedents which may have a potent influence when the general structure of commercial relations is determined, and especially when the League of Nations secures 'equitable treatment' for the commerce of all of its members.

CHAPTER I

ECONOMIC RECONSTRUCTION IN THE TREATIES

PART IV

ENEMY PROPERTY, DEBTS, AND CONTRACTS

THE endeavour of the present paper will be to make a plain statement of Sections III to VII of Part X of the Treaty with Germany and the corresponding sections of the other treaties, the object of which is to lay down rules for a settlement of the contractual relations and property rights of individuals upset by five years of separation and by Governmental measures taken during the war in the different belligerent countries. The aim is almost entirely to settle the past, not to provide for the future.¹ Elaborate provision is made in regard to the settlement of pre-war debts, the treatment of private property in an enemy country, with a special section relating to industrial property, and to pre-war contracts between persons who became enemies. The provisions are generally similar in all the Treaties, with the addition, in the Austrian, Hungarian, and Bulgarian, of special stipulations regarding the relations between these countries and other portions of the old Dual Monarchy or of Bulgaria detached from them. The clauses will therefore be discussed in the first instance upon the basis of the German Treaty, and the modifications introduced in the later instruments will then be indicated.

¹ Exceptions to this rule are to be found in the provisions contained in Article 298 (see p. 90 below) for the protection in the future of Allied property restored to its owners in Germany, and in Article 306 (see p. 100 below) regarding the treatment of German industrial property in the future in Allied countries. Reference should perhaps be made here to para. 18 of Annex II to the Reparations Clauses, which states that the measures which the Allies have the right to take, in case of voluntary default by Germany in her reparation obligations, include economic and financial prohibitions and reprisals. The British Government have announced that they do not intend to invoke this paragraph for the purpose of interfering with German property within their control, whether bank balances or goods in British bottoms or sent to this country for sale; the announcement does not, however, cover industrial property. (*Board of Trade Journal*, 21st October 1920, p. 479.)

A. The Liquidation of German Property.

It is necessary for a proper understanding of the scheme of this portion of the Peace Treaty to bear in mind that (in spite of occasional departures, some of them important) it is essentially reciprocal in structure. Into this symmetrical structure, however, has been introduced the application of an entirely different principle—namely, that the property of German nationals under Allied control might be applied to the fulfilment by Germany of pecuniary obligations defined by the Treaty. The effect of this principle runs through the greater part of the Treaty provisions now under view, and was at the bottom of most of the objections to them raised by the German delegation. It is disastrous to the economic hold of Germany in those Allied countries where the liquidation of German business interests had not been undertaken during the war, but the effect of its application in England from this point of view may be overrated. From the point of view of the development of international practice in regard to private property, it is, of course, of great moment.

The provision in the Treaty permitting the retention and liquidation of German property in Allied territory is in one sense a continuation into peace, though with primarily a different object, of the measures taken in the United Kingdom—and in differing ways and degrees in other Allied countries—during the war. Under the British trading with the enemy legislation, German property in this country had been placed under control, and German businesses and interests of a commercial character disposed of. This was done on grounds of national security during the war, to meet public sentiment, and to eliminate German economic penetration. The result was that by the end of the war a large sum of money was held by the custodian of enemy property.¹ This sum, and the hitherto unliquidated private property of Germans here, were available as a pledge for the payment of German liabilities to British nationals. The Treaty provisions prescribe the conditions under which they may be so used.

¹ Over thirty millions sterling. The proceeds of liquidation of British property in Germany during the war amounted, at the pre-war rate of exchange, to a sum approaching twenty millions; this is of course without taking account of claims for further compensation. The balance of private debts amounts probably to a further sum of thirty millions or more due from Germany.

It is well to see what exactly these provisions are :

(i) The property, rights, and interests of German nationals in the United Kingdom (or other Allied or Associated country) may be retained and liquidated by the British (or other) Government (Article 297 (b)).

(ii) Such property may be charged with the payment of private debts due from German to British nationals, and of claims in respect of damage or injury to the property of British nationals in Germany arising from exceptional war measures taken by the German Government against enemy property (Article 297 (c) and Annex, para. 4).

(iii) Any surplus not so used may be charged with the payment of claims in connexion with British property in the countries of Germany's Allies (Annex, para. 4).

(iv) Any surplus of proceeds of liquidated property not used for these purposes is to be credited to Germany in the reparation account (Article 243).

(v) Germany undertakes to compensate her nationals for the loss of their property, whether liquidated during or after the war (Article 297 (i)).

It is to be noted that the retention and liquidation of all or any German property is left at the discretion of each Allied or Associated Government, and that only any surplus of proceeds of what is actually retained and liquidated has to be reckoned in the Reparation Account. So far also as Germany meets her obligation to pay in cash the balances against her in the Clearing Offices, no liquidation will be needed for the purpose of meeting the pre-war debts due from German nationals. Claims in respect of British property, firstly in Germany, and secondly in the countries of her Allies, will remain.

It will be observed that the property of German nationals is only to be taken in return for compensation to the individual sufferer. The arrangement was regarded by the framers of the Treaty as the most practicable means whereby the German Government could apply the property abroad of its nationals to meet—so far as they could not be met by other means—what were recognized as national obligations. The German delegation at the Peace Conference raised strong objection to the method prescribed, as contrary to the principle of the inviolability of private property. They accepted, however, the principle that such property should be applied to discharge the

pecuniary obligations of their country, and suggested that means to this end should be concerted between them and the Allies. Thus in the German Observations upon the draft Treaty there occurs the following statement :

¶ [‘ The German Peace Delegation is conscious of the fact that under the pressure of the burden arising from the Peace Treaty on the whole future of German economic life, German property in foreign countries cannot be maintained to its previous extent. On the contrary, Germany, in order to meet her pecuniary obligations, will have to sacrifice this property abroad in wide measure. She is prepared to do so.’

The Powers in their Reply stated their position as follows :

‘ It is the clear duty of Germany to meet her admitted obligation as fully and as promptly as possible and to that end to make use of all available means. The foreign investments of German nationals constitute a class of assets which are readily available. To these investments the Treaty simply requires Germany to make prompt resort.

‘ It is true that, as a general principle, a country should endeavour to avoid making use of the property of a part of its nationals to meet State obligations ; but conditions may arise when such a course becomes necessary. In the present war Allied Powers themselves have found it necessary to take over foreign investments of their nationals to meet foreign obligations and have given their own domestic obligations to the nationals who have been thus called upon to take a share, by this use of their private property, in meeting the obligations of the State.

‘ The time has arrived when Germany must do what she has forced her opponents to do. . . .

‘ The method of using this property laid down by the Treaty cannot be considered, either in principle or in the method of its application, as a measure of confiscation. Private German interests will only be injured by the measures contemplated so far as Germany may decide that they shall be, since all the proceeds of German property will be carried to the credit of Germany, who is required to compensate her own nationals, and will go to reduce her debt to the Allied and Associated Powers.’¹

A word should perhaps be added with regard to the second charge established on German property to meet claims arising out of the treatment by her associates in the war of Allied property in their territories. This provision is based upon the solidarity of the Central Powers in the prosecution of the war from the economic as well as the strictly military point of view, and if there should be any considerable surplus available for

¹ v. also Vol. II, pp. 327-32 for fuller quotations.

the purpose, may result in Germany paying some compensation for the pillaging operations of her Turkish and Bulgarian satellites. It corresponds so far to the responsibility imposed upon her by the Reparation Clauses for the damage done by her associates in the course of military operations.

B. Private Property, Rights, and Interests in an Enemy Country.

Section IV of the Economic Clauses was prepared upon the basis of a joint Franco-British draft, which itself combined proposals originally submitted separately by the British and the French delegations. The clauses consist of two Articles, described as laying down the principles upon which the question of private property, rights, and interests in an enemy country should be settled, and an Annex containing detailed provisions for their application.¹ As they emerged from protracted discussion, however, the Articles enter into a considerable elaboration of detail upon certain points, and some important general provisions are to be sought in the Annex. Section IV.

All the legal measures of control, administration, or liquidation (defined in detail in paragraphs 1 and 3 of the Annex) taken during the war against Allied property in Germany and against German property in the Allied countries are confirmed. As an exception to this provision, however, such measures taken by German authorities in invaded or occupied territory at any time, or any taken in Germany after the Armistice, are declared void. Art. 297 (d).
Annex (1).

Except where they have already been liquidated, *Allied property, rights, and interests in Germany* which have been interfered with by the German authorities are to be restored to their owners. A special provision is, however, added permitting an Allied national to claim through his Government the restitution of any particular property even though it has been sold or liquidated, and in that case the German Government has to recover and return it if this is possible; if not, Art. 297 (a).
Art. 297 (f).

¹ An agreement between the United Kingdom and Germany for the settlement of certain matters arising under Article 297 was signed at the end of 1920, and is to some extent already in force pending ratification (Treaty series, No. 1, 1921, Cmd. 1111). This arrangement provides machinery for carrying out certain of the provisions of the Article and also contains certain ameliorations in minor matters to the benefit of Germany.

agreement may be made to secure the former owner other advantages in its place. Rights under paragraph (f) are by the succeeding paragraph confined to nationals of Allied Powers within whose territory legislative measures prescribing the general liquidation of enemy property, rights, or interests were not applied before the signature of the Armistice.¹

Art. 298. Article 298 obliges Germany to maintain Allied property restored in the same legal position as was enjoyed by German property before the war; not to subject it to measures in derogation of property rights except in so far as the same measures are applied also to German property, and, in the event of any such measures being taken, to pay adequate compensation.

Art. 297 (h). The proceeds of liquidations are to be credited through the Clearing Offices considered below, or paid direct to the owners

Art. 297 (e). where the Clearing Office scheme is not adopted. Further, Allied nationals are entitled to compensation for damage or injury inflicted upon their property in German territory by any of the war measures referred to above, and their claims are to be adjudicated upon by the Mixed Arbitral Tribunal also described later.

Annex (4). A provision is also introduced for the assessment and satisfaction of claims arising out of acts of the German authorities between the 31st July 1914 and the entry of the Allied or Associated Power in question into the war. Thus opportunity was given to the United States of America to claim redress, so far as this can be expressed in a pecuniary form, for her injury in the *Lusitania* and other outrages.

Art. 73. In accordance with the special Section of the Treaty relating to Alsace-Lorraine, the property, rights, and interests of persons acquiring French nationality by reason of the restoration of these provinces to France are to be regulated by the stipulations referred to above.

Art. 297 (b). The treatment of *German property in Allied countries* has already been discussed generally. The Allied Powers reserve the right to retain and liquidate all property, rights, and interests within their territories belonging at the coming into

Art. 297 (b) and (c). force of the Treaty to German nationals. The liquidation is to be carried out and the price or amount of compensation fixed

¹ The benefit of paragraph (f) does not in consequence extend to British nationals.

in accordance with the law of the Allied State concerned. Germany undertakes to compensate her nationals. The proceeds are to be credited, through the Clearing Offices, against the proceeds of British property liquidated in Germany. Art. 297 (i). Art. 297 (h).

These provisions apply to property in territories ceded to the Allied Powers by the Treaty, including the German colonies placed under a mandate. The right to liquidate is given to Poland and Czecho-Slovakia (both of whom acquire territory from Germany), but the proceeds of sales effected anywhere in these countries must be paid direct to the owner of the property, and an appeal is given to the Mixed Arbitral Tribunal in regard to the price. Art. 297 (b). Art. 121. Art. 297 (h).

France has undertaken not to liquidate the property in Alsace-Lorraine of German nationals receiving permission to remain there, though no similar limitation appears to be placed upon the powers of Belgium in the small portions of territory ceded to her. The property of inhabitants of ceded territory who under the Treaty acquire *ipso facto* Allied nationality is not, however, subject to retention or liquidation in any Allied State. Art. 58. Art. 297 (b).

The German property in each Allied State may be charged with the following obligations, and its proceeds may be applied by the Allied State concerned to meet them: firstly with claims in respect of the property of the nationals of that State in Germany, and debts owing to them by German nationals, and the claims above referred to arising between the 31st July 1914 and the entry of the Allied State into the war; secondly, with claims in regard to property in the territory of other enemy States. Any surplus of proceeds may be retained for the purpose of reparation, and is to be credited to Germany in the Reparation Account. Art. 297 (c) and (h) and Annex (4). Art. 243.

C. *The Pre-War Rate of Exchange.*

Elaborate provision is made by the Treaty for the settlement of pre-war debts between Allied nationals and enemy nationals. For the most part this is a matter of machinery operating for the common convenience. There is one provision, however, relating primarily to the settlement of debts which, though equal and reciprocal in character, is in its effect very onerous for the ex-enemy countries, owing to the heavy

depreciation in the value of the mark ; this is the stipulation for payment in all cases in the Allied currency at the pre-war rate of exchange.

Germany : In whatever currency debts may be payable under the original contract, they are now to be paid or credited in the currency of the Allied or Associated State concerned. If they were payable in some other currency they are to be converted into the Allied currency—unless a fixed rate of exchange is specified in the contract—at the average rate of the month immediately preceding the entry of that country into the war. This stipulation applies, of course, to debts due to German nationals as well as to debts due from them.

Art. 296,
para. follow-
ing (4).
Art. 297,
Annex (14).

In the case of new States, which had no currency of their own before the war, the currency and rate of exchange are to be determined by the Reparation Commission. The proceeds of liquidation are to be accounted for in the same currency and at the same rate as debts. An Allied or Associated Power not adopting the Clearing Office scheme may, however, give notice to Germany that these provisions concerning currency and exchange are not to be applied as between Germany and that Power.

The relation between the mark and other currencies being stable before the war, debts then contracted were expressed indifferently as payable in sterling or other Allied currency or in marks, according to convenience. Debts originally payable in sterling are unaffected by the Treaty. In the absence of a special stipulation in the Treaty, a debt originally payable in marks would be satisfied by the payment of the stipulated number of marks, though the international value of the mark might be at the time of payment one-tenth or one-twentieth of its pre-war value. The Treaty stipulation has the effect of placing debts due in marks and debts due in sterling (or other Allied currency) upon the same footing, and the Allied national is left in the same position as if the mark had not depreciated, neither losing nor gaining.

The German creditor, so far as the Treaty goes, stands to gain, since the debts originally due to him in marks are turned into sterling at the pre-war rate, while the German debtor has (in whichever currency the debt was originally expressed) to find enough marks to buy sterling at the present rate of exchange. Germany, however, is in general a debtor country, and the

mark debts of her nationals are likely greatly to exceed the mark debts due to them, so that on the whole the provision means a loss for the country. This loss is in fact being borne by the German Government, which (having undertaken responsibility for the debts of German nationals under the Clearing Office scheme described below) is collecting the mark debts due by its subjects in the original number of marks and paying the mark debts due to them in the same way, while as between the Allied and the German Governments the debts are credited as provided in the Treaty.

D. The Clearing Office System

Section III of the Economic Part contains what is commonly known as the 'clearing office scheme' for the settlement of outstanding private debts between Germany and the Allied countries. The scheme, which had been carefully elaborated in England some time previously by an expert committee, was accepted at the Conference without great modification. Its general effect is to do away with the settlement of debts by communication between the individuals concerned, and to substitute a system under which each Government deals with its own nationals, and accepts responsibility towards the other Government for the debts due by them. This system was originally favoured largely on account of the feeling against resumption of commercial intercourse, but beyond this it has certain obvious and very real advantages to creditors, freeing them from the trouble and risk of direct collection and securing in place of the liability of individual debtors a guarantee by the debtor's Government (backed up in the case of Allied creditors by the charge on ex-enemy property in the Allied country).

It was proposed that this system should be applied between all the Allied and Associated States and Germany. At the instance of the representative of the United States, however—whose citizens were in a somewhat different position in this matter from those of the European Allies, owing to the date and circumstances of America's entry into the war—it was left at the option of each Allied or Associated Power to adopt the scheme or to leave pre-war debts due to and by its nationals to be settled directly in the ordinary way.

The Clearing Office scheme has in fact been adopted under the German Treaty by the British Empire (with the exception

Germany :
Section III.

Art. 296 (c).

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of South Africa and Egypt), France, Italy, Belgium, Greece, Siam, Haiti, Panama, and Liberia.¹

- Art. 296 (1) and (2). The Clearing Office system operates separately as between each Allied State adopting it and Germany. It applies to debts payable before the war, and also to debts which have become payable during the war if they arise out of transactions of which the execution was wholly or partly suspended on account of its declaration. The parties on both sides must be nationals of the States concerned, and must be resident within the territory of their respective States at the coming into force of the Treaty of Peace. Allied States adopting the scheme may, however, agree between themselves that each shall include in its scheme the nationals of the other resident within its territories.² Alsace-Lorraine comes within the scheme with the substitution of the date of the Armistice for the outbreak of war, and the pre-Armistice rate for the pre-war rate of exchange. To the debts above referred to are added interest and capital repayments accrued due before or during the war to nationals of one Power, without restriction of residence, on Government securities issued by the other.
- Art. 296 (3) and (4).

- Art. 296 (a). The Allied Power and the ex-enemy Power are to set up clearing offices through which the pecuniary obligations indicated are to be settled, and are to prohibit payment or acceptance of payment and (except by permission) all communications between the parties with regard to the settlement of their obligations, otherwise than through the clearing offices.³

¹ The British Clearing Office (which besides acting as the office for the United Kingdom centralizes the work of the local offices throughout the Empire) began operations immediately upon the coming into force of the Treaty, the German office was opened in the latter part of April 1920, the French, Belgian, and Italian offices shortly after. The chief Allied offices have kept in touch with one another's operations by means of periodical conferences of their Controllers.

² Agreements to this effect are being made between the British Empire and France, Belgium, Italy, Greece, and Siam.

³ In the case of Austria arrangements have been made between the British and French and the Austrian Governments modifying the operation of the Clearing Office scheme in certain respects. Under the British arrangement voluntary settlement of pre-war debts due by Austrians to British nationals may be effected outside the Clearing Office with the consent in each case of the Austrian and British Offices, and Austrian assets in this country may be released from the charge established under the Treaty for use in effecting such settlements. The proportion borne by the amount of the assets to be released in any particular case to the total amount of the debt removed by that settlement from the operation of the Clearing Offices must not, however, be such as to reduce the dividend which will be available for creditors claiming through the Clearing Office from the distribution amongst

Each Power accepts responsibility towards the other for paying the debts due by its nationals, except where the debtor was insolvent before the war or was a company whose business had been liquidated under emergency legislation during the war. This guarantee does not apply, however, to debts due by the inhabitants of territory invaded or occupied by the enemy before the Armistice. Art. 296 (b).

The Annex to Section III gives directions in detail for the operation of the clearing offices. Creditors in each country must give notice to the office established there of debts due to them. The debts declared are to be notified by the creditor office to the debtor office, which has three months within which to object to them. On admission the debts are to be credited to the creditor office, with interest at the rate prescribed by the Annex from the outbreak of war or the later date of falling due. On payment by that office to the creditors a deduction may be made for risks and expenses. The debtor office similarly is left to collect the amounts due from the nationals of its State. In case of a difference between the clearing offices or the individual debtor and creditor, the dispute is to be referred to arbitration or adjudicated upon by the Mixed Arbitral Tribunal. The balance between the clearing offices is to be struck monthly; any balance against Germany is to be paid in cash,¹ while any balance due from the Allied Power is to be retained pending payment of the sums due by Germany on account of the war. Annex.

E. Contracts, Prescriptions, Judgments

The main object of the provisions relating to pre-war *contracts* between enemies is to get rid of the possible conflict Germany :
Section V.

them of Austrian assets in the United Kingdom. The obligation of the Austrian Government to pay monthly the balance against them in the Clearing Office is modified so that they are only required to pay each half-year such sums as they collect from Austrian debtors, with, however, a minimum half-yearly payment. A similar agreement may be made with Hungary. The Clearing Office scheme has not been adopted by the British Empire in the case of Bulgaria. (v. for above *Board of Trade Journal*, 14th October 1920, p. 446.)

¹ The Allied Offices have agreed that a balance in Germany's favour in any month may be set off against the next balance against her.

The German Office paid the balances due from it for the months up to the close of 1920, amounting in the case of the British Empire to nearly £10,000,000 sterling. Towards the end of the year, however, it gave notice that exchange difficulties made necessary the postponement of further payments. Payments were afterwards resumed, and arrangements are under discussion by which the

of laws in Allied countries on the one hand and Germany on the other as to the effect of the war upon contracts. The Treaty stipulations conform closely to the legal position under English law.

- Art. 299 (a) & Annex (1).** Contracts concluded between persons between whom trading became unlawful at any time as a result of the laws or regulations of one of the belligerents, are declared dissolved as from that date, except in respect of any pecuniary obligation arising out of a previous part fulfilment of the contract. Certain classes of contracts, such as those relating to leases and mortgages, mining concessions, contracts with the State or local authorities, are excepted. Detailed provisions are laid down for the regulation of insurance contracts, based upon the conclusions of an inter-Allied Conference on insurance questions held in Paris in 1917.
- Annex (2).**
- Annex (8) to (24).**

- Art. 299 (b).** A difficulty arises in declaring dissolved contracts which it might be in the public interest to keep alive and which the courts of some Allied countries would maintain in the absence of contrary stipulations in the Treaty. This is met by excepting from dissolution any contract of which the execution is required in the general interest by the Allied State concerned.¹ Where, however, the execution of such a contract would, owing to the alteration of trade conditions, cause one of the parties substantial prejudice, compensation is payable under award of the Mixed Arbitral Tribunal referred to later.

- Art. 299 (c).** A further difficulty was felt by certain Allied delegations in adhering to provisions which might deprive their citizens of private rights which they possessed under contractual obligations, and it is stipulated that, having regard to the provisions of the constitution and law of the United States of America, Brazil, and Japan, the rules of the Treaty shall not apply to contracts between their nationals and Germans.

- Art. 299 (d).** Contracts between Allied nationals and inhabitants of territories transferred from Germany who acquire Allied nationality under the Treaty, or inhabitants of Allied territory which was in enemy occupation, are also excluded from the scope of

balance would be met by the payment of fixed monthly instalments to be continued over a couple of years or so until the total balance had been paid.

¹ The United Kingdom have not taken advantage of this stipulation, except for the purpose of clearing up a doubt in regard to the proprietary interests of shareholders and the constitution of companies (*Board of Trade Journal*, 29th July 1920, p. 146).

Article 299 and the Annex. They were left to be dealt with, if necessary, in inter-Allied agreements.

In the case of Alsace-Lorraine it is laid down elsewhere in the Treaty that contracts made before the Armistice between persons resident in Alsace-Lorraine, on the one hand, and Germans in territory remaining German, on the other, shall remain in force, subject to a right of cancellation (with compensation if necessary) by the French Government in the general interest. Art. 75.

Prescriptions and Judgments. The period of the war is to be ignored in reckoning periods of prescription and the limitation of right of legal action, whether on negotiable instruments or other contracts or obligations between persons separated by the war. Where measures of execution have been taken in Germany owing to failure of an Allied national to perform any act during the war, restoration or compensation may be claimed. Similarly compensation may be claimed by an Allied national against whom judgment has been given during the war by a German court, where he was unable to make his defence. Arts. 300-3.

Judgments of Allied Courts, in all cases which under the Treaty they are competent to decide, are to be recognized in Germany as final and enforced without the necessity for having them declared executory.

F. *The Mixed Arbitral Tribunals*

The sections of the Treaty under consideration aim where possible at avoiding disputes between individuals, and are intended to eliminate conflict between the laws of ex-enemy countries and Allied countries. There remained the possibility of a conflict of jurisdiction between ex-enemy and Allied Courts in regard to contracts generally and touching questions which under the Treaty clauses are left for judicial decision. It was also felt desirable to avoid the necessity for Allied nationals to go into the German and other ex-enemy Courts in the early period after the close of the war in connexion with the settlement of engagements entered into before the war. Provision was accordingly made for a new judicial tribunal, independent of both countries, to be established between the ex-enemy country and each Allied country. To this court it was originally intended to refer all the matters above referred to, but difficulties arose in ousting the jurisdiction of Allied Courts, which some delegations in particular felt to be contrary

Germany :
Section VI.
Art. 304.

to their constitution. The new tribunal was therefore not charged with the decision of matters falling within the competence of the Allied Courts.

The decision of disputes under the Clearing Office scheme, the assessment of compensation to Allied nationals whose property in Germany has been damaged by exceptional war measures, and the settlement of questions under the contracts provisions of the Treaty are entrusted to these Mixed Arbitral Tribunals. To them is also given the decision of all other questions relating to contracts, concluded before the coming into force of the Treaty between Allied and German nationals, which would otherwise fall within the jurisdiction of the German courts.

A separate Tribunal is to be set up between each Allied Power and Germany, consisting of one Allied and one German member, with a neutral president appointed by agreement between the Governments.¹ It is to act by a majority and without appeal, and its decisions are to be binding upon the nationals of both Powers.

The operation of these Tribunals will be an interesting experiment, which may afford useful lessons for the future, and in particular guidance as to the form which any provision for the settlement of disputes should take, such as might be necessary under a convention for ensuring equality of trade conditions.

G. Industrial Property

Germany : Industrial, literary, and artistic property—that is, rights
Section VII. under patents, registered designs and trade marks, and copyright—falls generally within the scope of the provisions affecting property, rights, and interests which have already been discussed. The special position occupied by this class of property,

¹ The Anglo-German Tribunal (which includes in its scope the whole of the British Empire) is composed of a King's Counsel as British member and a German judge, *Senatspräsident* of the Hanseatic *Oberlandsgericht*, with a Swiss jurist as President; the headquarters of the Tribunal (as of the Japanese and certain other Tribunals) were opened in November 1920 in London, and the Tribunal will sit in England or on the Continent according to convenience. The French Tribunal sits in three divisions, and its headquarters, with those of the Tribunals for other French-speaking Allies, are situated in Paris. It is proposed that the Tribunals between the British Empire and Austria, Hungary, and Bulgaria shall also have their headquarters in London, and shall have a common neutral President and a common British member.

however, and the elaborate system of national legislation and international arrangements by which it is established and maintained, rendered it necessary to lay down special rules for repairing the links broken by the war and enabling the international system to get into working order again. These special provisions are based in part upon the conclusions of a conference of technical delegates of several of the Allied Powers called at the end of 1916, as a result of the Paris Economic Conference of that year.

Previously existing rights in industrial property are re-established in the territories of the High Contracting Parties in favour of the persons who were entitled to them at the outbreak of war, and rights which had been applied for and would have been acquired but for the war are to be recognized as from the coming into force of the Treaty. Where obligations upon which the acquisition or retention of rights depended have not been carried out, the rights if lapsed are revived and a period of a year is given within which the obligations may be met. The period of the war is not to count in connexion with requirements as to working patents or using trade marks or designs, nor is failure to work or use to be a ground for revocation for two years after the coming into force of the Treaty of Peace. Under the industrial property conventions a certain priority may be claimed in respect of an application in one country for an invention, trade mark, or design which has first been made the subject of an application in another country; such rights of priority, the exercise of which was prevented by the war, are extended for a period of six months from its close, subject to the continued right of any other person to exercise conflicting rights *bonâ fide* acquired by him during the war. Art. 306.

These provisions apply among the Allies themselves as well as between them and Germany. As between the Allied countries on the one hand and Germany on the other, persons who have infringed industrial property rights during the war are protected in respect of their past proceedings. Art. 309.

Pre-war licences between Allied and German nationals for the use of industrial property rights are declared cancelled from the declaration of war. The former holder may, however, claim the issue of a new licence in place of the old, if one has not already been issued to him under Allied war legislation. Art. 310.

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Art. 306.

Notwithstanding the provisions above outlined, power of control is retained by the Allied Powers over industrial property rights granted by them which are in German ownership, and any transfer, whether made during or after the war, which would remove such property rights from their control may be treated as void. No claim arising out of measures taken by them against such property during the war is to be admitted, and all acts done by virtue of such measures are maintained in full effect. Further, each Allied Power reserves the right to impose limitations upon German industrial property rights for national defence, or in the public interest, or for assuring fair treatment of the industrial property of its own nationals in Germany, or for securing the due fulfilment of all the obligations undertaken by Germany in the Treaty of Peace. The limitations may take the form of the grant of licences, of working, of preserving control over the exploitation of the rights, or any other form. Reasonable indemnities or royalties are to be paid, and these will be dealt with in the same way as the Treaty provides for other sums due to German nationals. The measures contemplated may be taken, where necessary for national defence or in the public interest, even against industrial property acquired in the future.¹

Art. 311.

A stipulation is added assuring the maintenance of industrial property rights existing in territories transferred from Germany, and the continued enjoyment by the inhabitants of the rights in Germany which they previously possessed there.

¹ v. also note on p. 85. In the United Kingdom Orders have been made by the Board of Trade under the Treaty of Peace Order in Council, 1919, and Section 5 (1) of the Trading with the Enemy (Amendment) Act, 1914, setting out the limitations, conditions, and restrictions imposed on Industrial Property dealt with in this Article. German patents are restored to their owners subject to licences granted during the war under the Emergency Legislation, and dealings in regard to such patents are permitted between British and German nationals. The Board of Trade may, however, grant a compulsory licence under any such patent in the public interest if the patentee shall refuse to grant to the applicant a licence upon reasonable terms. They may also expropriate any restored patent on terms to be settled by a special tribunal, where this course is in their opinion necessary for the national defence or in the public interest, or for securing the due fulfilment of the obligations undertaken by Germany under the Treaty of Peace. Royalties or other monies due to a German national are to be retained for the purposes for which German property in the United Kingdom is charged, except in the case of voluntary dealings, in which case 25 per cent. of the monies are to be paid to the German national concerned. It will be observed that the power to take measures against German industrial property acquired after the coming into force of the Treaty is not exercised in these Orders.

H. *Austria and Hungary*

In preparing economic provisions for the Treaty of Peace with Germany the Allies had to consider relations with a country which remained a homogeneous whole. Some special stipulations were indeed made concerning the portions of the German Empire split off and attached to other States. These provisions related mainly to Alsace-Lorraine, and, so far as they are relevant to the subject, are referred to above (v. also in K and L below). The break-up of the Austro-Hungarian Monarchy, however, brought prominently forward a three-fold problem; besides the relations between the Allied countries and the two small States of Austria and Hungary upon which devolved the responsibilities of the former Dual Monarchy, there were the relations between the Allied countries and the territories which had broken away to join the Allies, and between the latter districts and Austria and Hungary.

The general provisions of the German Treaty had been framed with Austria and Hungary in mind, and were included almost without change in the later Treaties, of which the States receiving territory detached from Austria-Hungary were signatories as Allies. The 'enemy property' clauses are so worded as to make clear which provisions are applicable to the whole area of the Dual Monarchy and which to the reduced Austria and Hungary only. The exceptional war measures taken against enemy property during the war are confirmed throughout, but the property of persons acquiring Allied nationality *ipso facto* under the provisions of the Treaty is excepted from retention and liquidation after peace in Allied countries. The two enemy States remain responsible for the damage to Allied property by the war measures of the Austrian and Hungarian Governments throughout the former Austrian Empire and Hungarian Monarchy respectively, and the property of their nationals in Allied countries may be charged with this liability, but not of course with private debts due from the inhabitants of the transferred territories. In the Hungarian Treaty a modification is introduced to secure compensation for damage to Allied property under the Béla Kun régime.

Austria :
Art. 249.
Hungary :
Art. 282.

Hungary :
Art. 282, II.

Relations between the other Allied countries and the transferred territories are not, except as above indicated, dealt with in the economic sections of the Treaties of Peace. They are

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Germany :
Arts. 86, 98.
Austria :
Arts. 51, 57,
60.
Hungary :
Arts. 44, 47.
Bulgaria :
Art. 46.

to some extent provided for in the so-called *Minorities Treaties*, concluded in virtue of the clauses in the Peace Treaties under which amongst other things each of the cessionary States 'accepts and agrees to embody in a Treaty with the Principal Allied and Associated Powers such provisions as these Powers may deem necessary to protect freedom of transit and equitable treatment for the commerce of other nations'. These Treaties with Poland, Czecho-Slovakia, Yugo-slavia, and Rumania were made at the same time as one or other of the Peace Treaties here dealt with; that with Greece has since been signed in conjunction with the Turkish Peace Treaty. Apart from these instruments, outstanding matters were left to be dealt with by separate bilateral agreements between the States concerned.

There remains the question of the relations between Austria and Hungary and the transferred territories, and of the latter amongst themselves. The separation of territories which until the time of the Armistice had been in close administrative, social, and economic relationship as contiguous parts of the same State, under the conditions prevailing in Austria-Hungary, inevitably raises a host of delicate and intricate problems which are not suited for settlement by hard and fast rules laid down from a distance, but can only be solved by the patient common effort of the peoples concerned. A beginning was made at the Peace Conference in the direction of such co-operation with the preparation at the suggestion of the Italian delegation, by agreement of the Allied delegations concerned, of a convention between the cessionary States relating to a number of matters of immediate though secondary importance.¹ The Treaties of Peace with Austria and Hungary contain certain definite provisions upon other matters, based sometimes upon the special clauses in the German Treaty relating to Alsace-Lorraine, and anticipate future discussion and settlement of outstanding questions between the States immediately affected. Besides the clauses inserted in the Economic Part of the Treaty and referred to below, one or two provisions are to be found in the section relating to the terri-

¹ Negotiations were continued between the States particularly concerned, and resulted in a Treaty between Italy, Poland, Czecho-Slovakia, Rumania, and the Serbo-Croat-Slovene State signed on behalf of the three first-named on 10th August 1920 at Sèvres. This is usually called the 'New States' Treaty.

teritories transferred to Italy, and limited to those territories. (Austria, Arts. 37, 43, 45 ; Hungary, Arts. 39, 40.)

Practical importance attaches to a clause (Austria, Art. 224) by which the Czecho-Slovak State and Poland are bound by carefully framed conditions not to restrict supplies of coal to Austria, and provision is made for the later conclusion of an agreement for the supply of coal and raw materials reciprocally. This clause, together with one on similar lines in the Hungarian Treaty (Art. 207), is placed within the care of the Reparation Commission. It was based upon a provision in the German Treaty ensuring to Germany the continuance of supplies from Upper Silesian mines in the event of the territory falling to Poland as the result of the plebiscite (Art. 90) (*v. infra*, p. 109).

Section VIII of the Economic Part of the Austrian Treaty lays down rules with regard to the relations between former Austrian subjects acquiring Allied nationality (called 'nationals of the former Austrian Empire') and those remaining Austrian nationals, corresponding to the earlier provisions concerning matters between persons already Allied nationals and Austrians. A similar section is included in the Hungarian Treaty. Under these rules the property of Austrian nationals in transferred territory may not be liquidated, but, like the property in Austria of nationals of the former Austrian Empire, is to be returned to its owners (*v. infra*, K). The clearing office scheme may not be applied to debts between persons in the transferred territories and in Austria, but these are to be paid directly in the currency of the Allied State concerned at the pre-armistice rate of exchange ; in the case of Poland and Czecho-Slovakia the currency and rate of exchange are to be fixed by the Reparation Commission. Contracts which were in force on the 1st November 1918 are maintained, with certain exceptions. Provision is made for the division of social insurance reserves (cf. Art. 312 of the German Treaty) and of the property of associations or public corporations operating in territory divided by the Treaty ; for industrial property matters and as to the continued operation of insurance companies throughout the area of the former Dual Monarchy.

Finally it is laid down that the questions concerning the nationals of the former Austrian Empire, as well as Austrian nationals, their rights, privileges, and property, not dealt with

Austria :
Arts. 266-7.

Hungary :
Arts. 240-50.

Austria :
Art. 271.
Hungary :
Art. 254.

Austria :
Art. 268.
Hungary :
Art. 251.
Austria :
Arts. 273 &
275 ; 264 &
274 ; & 272.
Hungary :
Arts. 256 &
258 ; 247 &
257 ; & 255.

Austria :
Art. 265.
Hungary :
Art. 248.

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in the Treaty of Peace or the other agreement referred to above, shall form the subject of special conventions between the States concerned, including Austria, for the purpose of which a conference of these States is to be called.¹

I, J. *Bulgaria*

Bulgaria :
Art. 177 (d). The provisions of the Treaty of Peace with Bulgaria relating to the matters here in question follow generally those of the Austrian Treaty. Having regard, however, to the treatment accorded to Allied property in Bulgaria during the war, the measures she had taken in this respect are declared void, and Allied nationals are entitled to the restoration of their property.
Art. 177 (d). On the other hand, Bulgarians are given the right to compensation for any illegal treatment of their property in the neighbouring countries.

Art. 182. Stipulations are added to protect the interests of Allied nationals under concessions. These may be extended for a period to be fixed by the Mixed Arbitral Tribunal, in compensation for any period of dispossession or abnormal conditions of working during the war. Pre-war claims of Allied nationals previously put forward through diplomatic or consular channels may now be submitted to the Tribunal. Foreign companies owning property in Bulgaria, and now or hereafter controlled by Allied nationals, are to be permitted to transfer their interests to another company of Bulgarian or Allied nationality.
Art. 179.
Art. 186.

K. *Liquidation of Ex-Enemy Property in Transferred Territories*

It will be apparent from Section H of this Part that, so far at any rate as the economic terms of peace are concerned (framed as they were subject to the limitations imposed by political conditions), there is no sufficient foundation for the criticism so often made that attention was not paid at the Peace Conference to the position of extraordinary difficulty and weakness to which the break-up of the former Austro-Hungarian Monarchy had reduced the new Austria, which remained with its centre at Vienna after the secession in 1918

¹ This Conference met in the early part of 1921 at Rome.

of the greater part of the former Austrian Empire. This position was shared, though to a lesser extent, by Hungary.

It may be of interest, however, to trace a little more in detail the steps by which the Conference was led to the inclusion in the Treaties of two provisions of great importance to Austria and Hungary, the one relating to the treatment of Austrian and Hungarian private property in the territories which had seceded from the Austrian Empire or the Kingdom of Hungary, and the other relating to the supply of coal to Austria and Hungary during the years of their reconstruction.

The question of the treatment of ex-enemy property in transferred territories arose first in connexion with the German Treaty which, as originally presented to the German Delegation, gave Poland the same rights of retention and disposition, in the transferred territories, of property belonging to persons remaining German nationals, and its proceeds, as were accorded to the Allied Powers generally in respect of German property in their territories. These general rights have been discussed above in Section A of the present Part.

In Alsace-Lorraine also German property could be retained and liquidated under the general provisions, except in the case of persons who, although not acquiring French nationality under the Treaty, were given permission by the French Government to remain in the country. The provision remained unaltered so far as regards Alsace-Lorraine. In the case of the States which had arisen as a result of the war, however, it was felt on reconsideration that there was not sufficient justification for giving them the right of disposition of German property in order to meet German obligations to their nationals. On the one hand the nationals of these States of Poland and Czecho-Slovakia, having (except in the case of the inhabitants of Russian Poland), been enemy nationals during the war, their property would not as a rule have been subjected to damage by exceptional war measures in Germany, while, on the other hand, the greater part of the property of German nationals within their territories would be in those portions which had been actually German territory. It was considered that these States should be permitted to liquidate enemy property in order to remove German economic penetration within their borders, but the draft Treaty was altered in such a way as to require them to hand over to the German owners

the proceeds of any liquidations effected. (Art. 297 (*h*)). In order to safeguard the interests of owners, an appeal was given to the Mixed Arbitral Tribunal to be established between each State and Germany in regard to the sale of the property, and the Tribunal was empowered, on being satisfied that the conditions of the sale or measures taken by the Allied Government concerned outside its general laws were unfairly prejudicial to the price obtained, to award equitable compensation to be paid by that Government to the owner.

The Economic portion of the draft Treaty with Austria in its original form was presented to the Austrian Delegation on the 2nd June, before the reconsideration of the position of transferred territories, above referred to, had taken place, and applied to the transferred territories the general provisions in regard to the liquidation of Austrian property. When the modification of the German Treaty was decided upon, it was intended to make a similar modification in the Austrian Treaty with reference to the whole of Czecho-Slovakia and Poland, and also to the former Austrian territories transferred to Italy, Serbia, and Rumania. It was then strongly urged, however, that the possibility of economic recovery by Austria must depend largely upon the retention by Vienna of its interests in the territories of the former Dual Monarchy which had, until the time of the Armistice, come within the financial orbit of that city; and that Austria, in the condition to which she was reduced, would not be able to employ these interests in such a way as seriously to jeopardize the economic independence of the new Allied States, while it was to the general advantage that the economic connexions between the territories of the former Monarchy should be maintained so far as possible. The Treaty provision was accordingly modified further to provide that the property, rights, and interests of Austrian nationals and companies controlled by them, situated in the territories which had formed part of the former Austro-Hungarian Monarchy, should not be subject to retention or liquidation. (Art. 267.) There is no reason to question the wisdom of this provision, but it was a complete departure from the theoretical basis upon which the relations between Austria and the States receiving the transferred territories had hitherto been regulated by the Treaty. This basis was that, while the continuance of economic relations should be encouraged, it should not be forced upon

these States—and the change was resented by the smaller Allied Powers affected.¹

This step having been taken, it was found necessary to add other restrictive provisions in order to ensure that it should be given complete effect. Complaints were made that in certain of the transferred territories Austrian property was already being interfered with during the Armistice period, contrary to the provisions which would come into force with the Treaty of Peace. It was, therefore, laid down that the Austrian property should be restored to its owners, freed from any measure of retention or liquidation or from any other measure of transfer, compulsory liquidation or sequestration taken since 3rd November 1918 in the condition in which it was before the application of the measure in question.

These provisions were included in the draft Hungarian Treaty before that document was presented to the Hungarian

¹ *Original Article on liquidation of Austrian nationals' property in new States. Art. 49 of Part X. Economic Clauses of Draft Treaty of 2nd June 1919.*

Article as included in the Treaty of 10th September.

Each of the Allied and Associated Governments reserves the right to retain and liquidate in accordance with Art. 32 and the Annex to Section IV, the property, rights and interests which Austrian nationals or companies controlled by them possessed on the 1st November 1918 in the territories of the former Austro-Hungarian Monarchy transferred to it by the present Treaty.

Austria will compensate Austrian nationals who may have been dispossessed by the aforesaid liquidations.

The proceeds of these liquidations shall be applied in accordance with the provisions of Sections III and IV.

Those Austrian nationals who, without acquiring the nationality of an Allied or Associated Power to whom territory is transferred in accordance with the present Treaty, shall receive permission to reside in the territories in question, shall not be subjected to the provisions of the present Article.

Art. 267. 'Notwithstanding the provisions of Art. 249 and the Annex to Section IV the property, rights and interests of Austrian nationals or companies controlled by them situated in the territories which formed part of the former Austro-Hungarian Monarchy shall not be subject to retention or liquidation in accordance with these provisions.

Such property, rights and interests shall be restored to their owners freed from any measure of this kind, or from any other measure of transfer, compulsory administration or sequestration, taken since November 3, 1918, until the coming into force of the present Treaty, in the condition in which they were before the application of the measures in question.

The property, rights and interests here referred to do not include property which is the subject of Art. 208, Part IX (Financial Clauses).

Nothing in this Article shall affect the provisions laid down in Part VIII (Reparation), Section I, Annex III, as to property of Austrian nationals in ships and boats.'

Delegation. In the case of Bulgaria, however, where the special conditions of Austria and Hungary did not arise, the German form of the stipulation was retained, with the addition of a provision for payment of compensation to the Bulgarian proprietor for any damage caused by illegal measures taken against his property in a new State or one to which Bulgarian territory has been transferred (Art. 177 (d) and (i)).

L. The Supply of Coal, etc. to Ex-Enemy Countries.

The return to Austrian nationals of their economic interests in the transferred territories afforded some opportunity for the continuance by Vienna of its function as a financial centre. It was necessary, however, if the economic reconstruction of Austria were to be possible, that she should be in a position to re-establish the industrial activities within her borders, and so provide employment for her people. For this purpose Austria must secure supplies of coal, for which she was entirely dependent upon sources in what were now foreign countries. The complete failure of imports of coal during the months of 1919, due, it is true, in large measure to the break-down of transport, but also attributable in part to a lack of interest by the new States in satisfying Austria's needs, had led to pitiable results in the industrial as well as in the domestic life of the country. Great efforts were being made by the representatives of the Communications Section of the Supreme Economic Council to secure improvement in the transport conditions, but it was evident that if Austria were to have a fair chance in the early years of the peace, she must be given some guarantee of reasonable supplies. These considerations impelled the Peace Conference to place a further restriction upon the liberty of action of the new States in respect to Austria, and later to Hungary.

The question of supplies of coal from transferred territories had arisen at a somewhat earlier stage in connexion with the Treaty of Peace with Germany. It had been strongly urged by the German Delegation in their Observations upon the terms of peace presented to them that the separation of Upper Silesia from Germany—added to the loss of the coal-fields of Alsace-Lorraine and the Saar, and the obligations in regard to the supply of coal to France, Belgium, and Italy imposed under the reparation clauses—would render Germany's coal

position an impossible one. In order to meet this point, the Allies added to the Treaty a new clause (Art. 90), under which Poland undertook to permit for a period of fifteen years the exportation to Germany of the products of the mines in any part of Upper Silesia that might be transferred to her. These products were to be free from all export duties or other charges or restrictions on exportation, and Poland was to secure that they should be available for sale to purchasers in Germany on terms as favourable as to purchasers in Poland or any other country.

The new clause added to the Austrian Treaty was based upon this provision. The question of coal supplies, however, was at this time a very thorny one, and, although there was general agreement amongst the Allies as to the necessity of securing supplies of coal for Austria, it was only after considerable discussion that agreement was reached among the representatives of the principal Allied Powers in favour of inserting a provision in the Treaty, and on the exact terms of the clause. The Czecho-Slovak Delegation, while expressing their readiness to come to an agreement with Austria as to the supply of coal under reasonable conditions, protested against the insertion of a compulsory provision in the Treaty of Peace.

The clause finally adopted (Art. 224) begins with an undertaking by the Czecho-Slovak State and Poland with regard to the products of coal-mines in their territories similar to that accepted by Poland in the case of the mines of Upper Silesia, with the exception that these States are not bound for the full fifteen years to allow free export, but only to give Austria the same treatment in connexion with export duties and restrictions as any other country. The Article goes on to anticipate special agreements between the two new States and Austria as to the supply of coal and raw materials reciprocally, and lays down that, pending the conclusion of such agreements, but for not more than three years, no export duties or other restrictions of any kind shall be imposed on the export to Austria of coal and lignite up to a reasonable quantity to be fixed, failing agreement, by the Reparation Commission. In return, Austria is to furnish to the Czecho-Slovak State and Poland supplies of raw materials in accordance with the decisions of the Commission.

Owing to the delay in the coming into force of the Treaty

of Peace, this provision did not have binding effect during the year following its adoption by the Supreme Council in August 1919, and during this period Austria was dependent upon the measures which it was possible to take outside the Treaty, through the European Coal Commission established by the Supreme Council, which set up a sub-commission in Mährisch-Ostrau, the Silesian Plebiscite Commission, and the Reparation Commission. At the same time the clause laid down clearly the responsibility of the new States in regard to coal supplies to Austria, and was no doubt valuable as a basis for the interim measures.

The need of Hungary for coal was also very real, although not so pressing as that of Austria, and a similar provision, providing for the conclusion of special agreements and for the establishment by the Reparation Commission of interim arrangements during a period of five years, was included in the draft Treaty presented to the Hungarians. The Hungarian clause, however, did not contain an obligation for Czecho-Slovakia and Poland to give most-favoured-nation treatment to Hungary in respect of the export of coal for the longer period of fifteen years. The Hungarian Delegation in their observations urged that the principle applied by the clause in the case of coal should be extended to other commodities of which Hungary, within her new confines, would require to obtain supplies from her neighbours. The need of Hungary for these other commodities, such as salt, mineral oils, etc., did not fall in the same class of urgency as her need of coal, and the Peace Conference did not feel able to impose additional servitudes upon the Allied States in respect of these commodities. It was considered, however, that something might be done to meet the Hungarian needs by the inclusion of a provision in the Treaty for encouraging mutual arrangements in regard to the exchange of products between the States which had acquired territories of the former Dual Monarchy. Such a clause would indeed be in harmony with a number of provisions in the Austrian and Hungarian Treaties which anticipated further agreements between the States concerned in matters affecting the transferred territories. The sixth paragraph of Article 207 of the Treaty with Hungary accordingly lays down that in order to permit mutual assistance between Poland, Rumania, the Serb-Croat-Slovene State, Czecho-Slovakia, Hungary, and Austria in regard to products hitherto

exchanged between the territories of these States which are indispensable to their industry or trade, negotiations should be undertaken on the initiative of any one State with a view to the conclusion with any other of separate conventions. The paragraph provides for an appeal to the good offices of the Reparation Commission by any State which has requested such a convention without succeeding in concluding it.

As between Hungary and Austria, a further clause (Art. 208) provides that special agreements shall be made in regard to the supply of food-stuffs, raw materials, and manufactured articles reciprocally, and makes interim provision for the supply of foodstuffs from Hungary to Austria in return for raw materials and manufactured articles, in accordance with the decisions of the Reparation Commission.

CHAPTER II

THE TREATIES FOR THE PROTECTION OF MINORITIES ¹

Introductory. Among the achievements of the Conference a not unimportant place must be assigned to a series of separate Treaties which were attached to, but distinct from, the main Treaties of Peace with Germany and the other enemy States. The parties to them were, on the one side, the Principal Allied and Associated Powers, viz. America, the British Empire, France, Italy, Japan ; on the other side, Poland, Czecho-Slovakia, the Serb-Croat-Slovene State, Rumania, and Greece. These treaties provide for the protection of racial, linguistic, or religious minorities included within the boundaries of the specified States ; they also contain provisions embodying certain general principles affecting commerce and intercourse, and were so drafted as to include a formal confirmation of the recognition of Poland and Czecho-Slovakia as sovereign States. Almost identical are certain provisions which have been introduced into the Treaties of Peace with Austria, Hungary, Bulgaria, and Turkey. It is the object of this chapter to explain the origin and the purpose of these documents.

A. HISTORICAL PRECEDENTS.

1. *Precedents in the nineteenth century.* In drawing up these treaties the Conference was not entering on any new path. It was deliberately pursuing a course of policy which had been consecrated by the established procedure of the last hundred years, and the statesmen of Paris were consciously and avowedly continuing the work which had been done by their predecessors, who represented the concert of the Great Powers of Europe in previous conferences. It is just because of this that their work is likely to have a permanence and an

¹ For Statistical Tables illustrating number of minorities involved under the Treaties, v. Table VI, p. 155.

importance greater than would have attached to it had they been embarking on a new and untried experiment.¹

As a result of the gradual dissolution of the Turkish Empire, there had during the nineteenth century been established in Europe five new States—Greece, Serbia, Rumania, Bulgaria, and Montenegro. In each case the recognition of these States had been the subject of consultation between the Great Powers of Europe, and had been accompanied by certain conditions, the object of which was to insure religious freedom, and to prevent the newly established State from interfering unduly with the freedom of commercial intercourse; these conditions were incorporated in treaties, to which some or all of the Great Powers were parties. It was on the occasion of the establishment of the Kingdom of Greece—the first of the new States formed out of the Turkish Empire—that the precedents began. In the protocol of the 3rd February 1830 between Great Britain, France, and Russia, the Powers to whom the establishment of the Kingdom was due, and by whom its maintenance was guaranteed, after special provisions for the protection of the Catholic religion, the following paragraph was added :

‘The Plenipotentiaries of the three Allied Courts being desirous moreover of giving to Greece a new proof of the benevolent anxiety of their Sovereigns respecting it, and of preserving that country from the calamities which the rivalry of the religions therein professed might excite, agreed that all the subjects of the new State, whatever may be their religion, shall be admissible to all public employments, functions and honours, and be treated on the footing of a perfect equality, without regard to difference of creed, in all their relations, religious, civil, or political.’

Again in 1863, when a change of dynasty took place, and when the Ionian Islands were ceded to Greece, the new arrangements were embodied in a separate Treaty between Great Britain, France, Russia, and Denmark, in which this principle was re-affirmed :

‘The principle of entire civil and political equality between subjects belonging to different creeds, established in Greece by the Protocol, (of the 3rd February 1830) shall be likewise in force in the Ionian Islands.’

¹ See *Notes on the Diplomatic History of the Jewish Question*, by Lucien Wolf, published by the Jewish Historical Society of England, University College, Gower Street, W.C. 1, 1919, which contains a large amount of information. The text of the earlier Treaties will be found in the volumes of *British and Foreign State Papers*. See also *The European Concert in the Eastern Question*, by T. E. Holland (Clarendon Press, Oxford, 1885).

Again, when Thessaly was ceded to Greece by Turkey in 1881, this was done not simply by a separate Treaty between Turkey and Greece ; the transference was effected by a Treaty to which Great Britain, Austria, France, Germany, Italy, and Russia—all the Great Powers of Europe—were parties, and in this Treaty there were included a series of articles carefully safeguarding the civil and political rights of the inhabitants :

‘ ARTICLE III. The lives, property, honour, religion and customs of those of the inhabitants of the localities ceded to Greece who shall remain under the Hellenic administration will be scrupulously respected. They will enjoy exactly the same civil and political rights as subjects of Hellenic origin.

ARTICLE VIII. Freedom of religion and of public worship is secured to Mussulmans in the territories ceded to Greece.

No interference shall take place with the autonomy or hierarchical organisation of Mussulman religious bodies now existing, or which may hereafter be formed ; nor with the management of the funds and real property belonging to them.

No obstacle shall be placed in the way of the relations of these bodies with their spiritual heads in matters of religion.

The local courts of the Chéri shall continue to exercise their jurisdiction in matters purely religious.’

The principles which had been observed in the case of Greece were maintained when the time came to establish Moldavia and Wallachia as autonomous principalities, and when eventually Rumania, Serbia, Montenegro, and Bulgaria received recognition as sovereign and independent States. The Protocol of the Conference of Constantinople of 1856, dealing with Moldavia and Wallachia, contains the following clauses :

‘ ARTICLE XIII. All religions and those who profess them shall enjoy equal liberty and equal protection in the two principalities.

ARTICLE XVI. All Moldavians and all Wallachians will without exception be admissible to public employment.

ARTICLE XVIII. All classes of the population without any distinction of birth or religion shall enjoy equality of civil rights, and in particular the right of property in all its forms ; but the exercise of political rights shall be suspended for those inhabitants who are placed under foreign protection.’

In the constitution of the principalities agreed on by the Convention of Paris of the 10th August 1858, Article 46 runs as follows :

‘ Moldavians and Wallachians shall be equal before the law in matters of taxation and equally admissible to public employments in both principalities.

Their individual liberty shall be guaranteed. No one shall be detained, arrested, or prosecuted except in accordance with law.

No one shall be deprived of his property except in accordance with law or on the ground of public interest and after receiving an indemnity.

Moldavians and Wallachians of all Christian rites shall equally enjoy political rights. The enjoyment of these rights can be extended to other religions by legislative enactment.

All privileges, commerce or monopolies enjoyed by certain classes shall be abolished; there shall be undertaken without delay a revision of the law which regulates the relations of the owners of the soil with the cultivators with a view to ameliorating the condition of the peasants.'

The whole matter was considered fully at the Congress of Berlin; the recognition of the independence of Serbia and Rumania was made conditional on the acceptance of this principle, as will be seen by the following Articles:

'ARTICLE XLIII. The High Contracting Parties recognise the independence of Rumania, subject to the conditions set forth in the two following Articles.

ARTICLE XLIV. In Rumania the difference of religious creeds and confessions shall not be alleged against any person as a ground for exclusion or incapacity in matters relating to the enjoyment of civil and political rights, admission to public employments, functions, and honours, or the exercise of the various professions and industries in any locality whatsoever.

The freedom and outward exercise of all forms of worship shall be assured to all persons belonging to the Rumanian State, as well as to foreigners, and no hindrance shall be offered either to the hierarchical organization of the different communions or to their relations with their spiritual chiefs.

The subjects and citizens of all the Powers, traders or others, shall be treated in Rumania, without distinction of creed, on a footing of perfect equality.

ARTICLE XLVIII. No transit duties shall be levied in Rumania on goods passing through the Principality.'

Identical provisions were inserted applying to Serbia and Montenegro, which were recognized as sovereign States, and to Bulgaria, which became an autonomous principality.

2. *Application to the Turkish Empire.* Both at the Congress of Paris of 1856 and at the Congress of Berlin of 1878, the application of these principles to the Turkish Empire itself was not neglected. But naturally the particular form was different. So long as the position of Turkey as an existent sovereign State was recognized, it was impossible to expect the Sultan to bind himself by an international engagement as did those States which were being created by the Great Powers. The

provision was therefore put in the form of a declaration of intention by the Sultan. In 1856 it was definitely expressed that the communication of the intentions of the Sultan did not give the Powers the right to interfere either collectively or separately in the relations of the Sultan to his subjects, nor in the internal administration of the Empire. In the Treaty of Berlin the form is slightly different, and is as follows :

‘The Sublime Porte having expressed the intention to maintain the principle of religious liberty and give it the widest scope, the contracting parties take note of this spontaneous declaration.’

While, therefore, in neither case does the Sultan enter into a formal international convention on the matter, the actual contents of the declaration made by the Ottoman Government are much wider than are the obligations imposed on the Christian States.¹

Summing up, we may say then that by this time it had become a recognized principle of European international custom that in Eastern Europe the establishment of new States was a matter of general interest, which required the formal recognition of the Great Powers, who, in fact, though not in law, were, acting as the Concert of Europe, the final court and authority for dealing with all matters of general European concern. It was also established that at least in the East of Europe such recognition should only be given on certain conditions. In fact, the right was assumed of imposing upon these States certain principles of government which had come to hold the position of fundamental principles to which all civilized States conformed.

It is perhaps equally necessary to note that this action was confined to the East of Europe ; the territorial changes which culminated in the formation of the Kingdom of Italy were not made the subject of a European Conference, still less were those by which the German Empire was built up, and in neither of these two cases was the suggestion even made that conditions should be attached to the recognition of the *fait accompli*.² This distinction between the East and the West of Europe, based as it is on a real difference between the characters of the peoples.

¹ T. E. Holland, *The European Concert in the Eastern Question*, pp. 246, 330.

² Cf. § 20, pp. 142-3.

and the political situation, is of great importance, and was, as we shall see, followed at Paris.¹

3. *Religious Equality in East Europe.* The whole development of the principle of religious equality in the East of Europe presents many points of interest. In the earlier times the practice had arisen of placing the protection of the Christian subjects of the Sultan under a single Power; France was the guardian of the Catholics, Russia of the Orthodox. By the Treaties of Paris and Berlin there had been substituted for the special prerogative of a single Power the guarantee of all the Great Powers, and at the same time the rights which had been secured only to the members of certain Christian confessions, were extended to all religious bodies; in practice this meant that the Mussulmans who were transferred to a Christian State were to enjoy, even to a higher extent, the rights secured to the Christians who remained under the rule of the Sultan, and similar privileges were accorded to the Jews.

So far as equality between Christian denominations goes, it does not appear that any difficulty had arisen in the carrying out of these Treaties. We have no record of complaints being lodged on this score. In Greece, in Serbia, and in Montenegro, the wider extension seems also to have been accepted; the Mussulmans in Thessaly and in Bosnia and Herzegovina appear to have been satisfied with the treatment accorded to them. In one case, and in one alone, had representations been made to the Great Powers that the purposes of the Treaty had not been effective. The position of the Jews in Rumania had since 1878 continued to be a constant source of trouble and annoyance. The complete equality, which it had been hoped to secure for the Jews, had not been attained, and we must also note the fact that in practice, owing to the political differences between the Powers, no common action had been taken to remedy the grievances which still continued. In this, as in other matters, the Concert of Europe had not shown itself an

¹ An exception is to be found in the Treaty by which Holland and Belgium were united in 1814. This exception is an interesting one because here we have a case in which the Allies took upon themselves the responsibility of uniting what is now the Kingdom of Belgium with another country which had a different language and religion. Here then we get what, as we shall see, were the essential points considered at Paris: first, the immediate responsibility of the Allies; secondly, the existence of special local conditions likely to produce serious friction and difficulty unless special guarantees were provided.

effective instrument, and it was clear that some substitute for it was necessary.

4. *The Position after the Treaty of Bucharest, 1913.* After the Balkan Wars of 1912, further important changes were made in the territorial status of the Balkans, and in particular both Serbia and Greece received large accessions of territory. On this occasion, however, no steps were taken similar to those adopted at the Congress of Berlin, to secure the principles of religious equality in the government of these districts. The reason is obvious. The wars by which these changes were affected had been carried on entirely by the States immediately concerned, and the Great Powers had had no part in them at all. Moreover, the conditions of peace were arranged at a Conference attended only by the Balkan States themselves; there was no general instrument to which the Great Powers were a party, confirming or recognizing these changes; neither at the Conference of London nor at the Conference of Bucharest, where these matters were discussed, did representatives of the Great Powers sit at the Conference table.

The matter was indeed discussed at the Conference of Bucharest;¹ a note from the United States Government was communicated to the Conference, in which it stated that it would regard with satisfaction a provision granting full civil and religious liberty to the inhabitants of all territory which might be subjected to the sovereignty of any of the five Powers, or which might be transferred from the jurisdiction of one of the Powers to that of another, if it could be introduced into any Treaty concluded. It was unanimously agreed that the note should be inserted in the Protocols of the Conference, but that the inclusion of any such clause in the Treaty would be superfluous, because the principle of religious equality was universally recognized.

On a later occasion the question was raised again both by the Greeks and by the Bulgarians, and the Bulgarians proposed to insert in the Treaty a clause by which all the States should recognize in the territories newly acquired the autonomy of religious communities and of liberty of the schools. The American note applied to all religions. This proposal, however, was limited to Christians, and would therefore have excluded

¹ *Le Traité de Paix de Bucarest du 28 Juillet (10 Août), 1913, précédé des Protocoles de la Conférence.* Bucarest : Imprimerie de l'État, 1913.

the Jews from the advantages contemplated. It was rejected because the Serbians stated that this was a matter which was regulated by the constitution of the Serbian Kingdom. Nothing, in fact, was done, except that by an exchange of notes all the States undertook to grant certain special privileges to the Kutzo-Vlachs.¹ In the Treaty of Peace between Serbia and Turkey, signed at Constantinople, a series of long and detailed articles were inserted securing to the Mussulmans who would be transferred to Serbian sovereignty the fullest religious freedom as well as the continuance of their religious institutions and the use of the mosques. 'No impediment shall be placed on communications between Mussulman societies or individuals and their spiritual leaders,' and in general, the Serbian Government promised to its new subjects the same civilian and political rights as belonged to their Serbian subjects of other religions; 'they shall enjoy the greatest liberty in the practice of their religion, and their customs shall be respected'.

It may be said that on this occasion the Balkan States were in fact taking a further step in establishing their claim to full equality with the Western Powers. The supervision exercised over them by the Great Powers had for the moment apparently ceased. They had made war by themselves, and they made their own peace. None the less the provisions of the Congress of Berlin remained in force, and the question necessarily arises whether the Treaties by which territory was transferred from Turkey to Serbia and Greece completed the matter. It might be maintained that the arrangements had not full and complete validity until express adhesion to them had been given by those Powers who had signed the Treaty of Berlin. Some such recognition was desirable; nay, indeed, it was essential, unless the whole principle by which the devolution of the Balkans had been watched over for a hundred years was to be given up. We have important evidence that this view was taken at least by the British Government. We have two letters addressed to the Jewish Committee :

Foreign Office, October 29th, 1913.

GENTLEMEN,—I am directed by Secretary Sir E. Grey to acknowledge the receipt of your letter of October 18th, and to observe in reply that the Articles of the Treaty of Berlin, to which you refer, are in no way abrogated by the territorial changes in the Near East, and remain

¹ See on this point the article on Greece in Volume VI of this work.

as binding as they have been hitherto as regards all territories covered by those Articles at the time when the Treaty was signed.

His Majesty's Government will, however, consult with the other Powers as to the policy of reaffirming in some way the provisions of the Treaty of Berlin for the protection of the religious and other liberties of minorities in the territories referred to, when the question of giving formal recognition by the Powers to the recent territorial changes in the Balkan Peninsula is raised.

I am, Gentlemen,

Your most obedient, humble servant,
EYRE A. CROWE.

Foreign Office, July 28th, 1914.

GENTLEMEN,—I am directed by Secretary Sir E. Grey to inform you that he has given his careful consideration to your letter of the 14th instant on the subject of the rights of native Jews in Rumania.

I am to observe, in reply, that questions arising under the Convention of Paris of 1858 and the Treaty of Berlin being, as you rightly point out, matters of European concern, it is for the signatory Powers of those instruments to deal collectively with any infractions, or alleged infractions, of their terms by particular States.

I am, however, to add that Sir E. Grey will bear in mind the arguments and suggestions contained in your letter when the moment arrives for His Majesty's Government definitely to recognize the recent annexations of territories by the Balkan States.

I am, etc.,

EYRE A. CROWE.

B. THE PROBLEM BEFORE THE CONFERENCE.

5. *Obligations of the Great Powers to protect racial minorities.*
It would clearly have been impossible for the Conference not to follow these precedents. All the motives which influenced their predecessors applied now with even greater force. A redistribution of territory was taking place, far larger than any which had been dealt with on previous occasions. The whole of the east and south-east of Europe was being rearranged; not only were the Turkish dominions being further reduced, but the Austro-Hungarian Empire had ceased to exist, and the populations, which had for so long enjoyed the protection of the Monarchy, were being distributed among smaller, less powerful, less well-established communities. Two new States were being created, Poland and Czecho-Slovakia, and to others very great additions of territory were being awarded. For all this the Great Powers who had won the war were responsible; the settlement was theirs, and on them would ultimately rest the obligation to maintain it. It was by them, and not by the

States themselves concerned, that the independence or accession of territory had been secured. Moreover, in the very nature of things, it was inevitable that in every case there would be assigned to these States a considerable population alien in language, race, and religion. These people would be placed under the rule of those from whom they were estranged by long generations of bitter enmity, and in some cases of internecine warfare. Some guarantee, some security must be provided that they should not be subjected to injustice, that they should not be deprived of their political rights, nor exposed to legal disabilities and social persecution. This was not only in accordance with the general principles of justice and humanity, by which the Peace was to be governed, but also was required by the most urgent reasons of political expediency. Nothing would be so likely to produce war in the future as justifiable discontent among the transferred populations.

The obligation was in fact imposed upon the five Great Powers by the principles of the Peace. So far as possible it had been agreed that the population of each district should itself be consulted as to its future allegiance, but so soon as the problem of the new frontiers was considered, it became obvious that it would be physically impossible to abide strictly in every case by the popular wish, or to make the frontiers coincide with ethnographic lines. No power on earth could disentangle the Germans and Poles in Posen and West Prussia, Poles and Ruthenians in Galicia, Magyars and Rumanians in Transylvania, Serbs and Rumanians in the Banat. In some districts languages, races, religions were so closely intermingled, that the population of a single village might be divided between three classes ; in others, enclaves of Germans or Magyars were necessarily separated from their countrymen ; it was essential to do all that was possible to free them from apprehensions as to their future treatment. It was indeed suggested that in the future this would not be necessary ; every one of the States concerned would, as was pointed out, in the future have a democratic constitution, and all eagerly professed that they were ready of their own free will to adhere to the principles of civil and religious equality. It was urged, therefore, that it was not necessary to impose on them as obligations that which they were willing of their own free will to concede. The objection could not be accepted. In the modern world it is not

always an autocratic Government which is the greatest enemy of justice and equality ; even in a democratic State popular passion may claim for itself legal forms, and the tyranny of racial antagonism may become the worst form of oppression.

6. *The Position of the Jews.* But even if the claims from the other races might be overlooked, for they chiefly belonged to enemy States and there were not at the moment many to support the demands of Germans or Magyars or Bulgarians, and even if the almost unknown peoples, such as the White Russians and Ruthenians, might have been disregarded, there was one race which had ardent, persistent, and influential friends. The Jews of Western Europe and America had never ceased to award their sympathy to the sufferings of their co-religionists in Russia and in the other Eastern States ; for many years the Jewish societies of Great Britain and the United States had been in correspondence with the Foreign Offices and Chancelleries of Europe, striving to bring about a better state of things. It was therefore inevitable that at this great assembly of the nations they also should be represented. There were present in Paris Delegates from the more important of these societies, who had been sent to watch over the interests of their race, and to secure that the principles which had been recognized in earlier Conferences should not be forgotten in this. In particular, there were two States in which, owing to the mass of Jews, they were specially interested—Poland and Rumania. Owing to causes which have their roots in a remote past, it had come about that an appreciable fraction of the population of those territories which would be assigned to Poland was of Jewish race and faith, and the number of Jews in Poland had been during recent years largely increased by the deportation and expulsion of Jews from other portions of the Russian Empire ; it has been calculated that 14 per cent. of the inhabitants of Poland would be Jews. In the old days, as was recalled with much justice and much insistence by the Poles themselves, the Jews had been attracted to Poland by the spirit of religious toleration which existed there. Unfortunately, during recent years there had been evidence of strong animosity towards the Jews. The spirit of anti-semitism had found its way from Germany and Russia into Poland, and was fostered by the rising nationalism among the Poles themselves. Many of them looked with suspicion and dislike upon

the presence within their borders of an alien population—a population which in some towns formed even as many as half the inhabitants. They lived an isolated life, they used their own language, Yiddish—a corrupt form of German mixed with Hebrew, but written in Hebrew characters. By their religion, their dress, their customs, they were separated from the rest of the population. In Rumania it was represented with much force that the engagements which had been made to secure the equality of the Jewish population had not been kept; in consequence a large number of people were existing in a condition of civil and political inferiority; they were in fact not enabled to attain the position of citizenship; they were excluded from a large number of occupations, so that it was made very difficult for them to earn their livelihood, and they had not even those safeguards which were enjoyed by aliens of other nationalities who could look to the protection of their own Government. It was, therefore, clearly incumbent upon the Conference to give to the unfortunate members of this race securities, the necessity for which was evident.

7. *The Appointment of a Minorities Committee.* It might have been expected that from the beginning the Conference would have considered the matter. Unfortunately months elapsed before anything was done. This seems to have been due to the general want of foresight and supervision which characterized the arrangement of business, especially with regard to everything which did not immediately concern the future of Germany. It was nobody's business to provide a preliminary survey of the ground or to sketch out the problems that would have to be dealt with.¹

It was first brought before the notice of the Supreme Council at the end of April by the American and British Delegations. The Americans drew attention to the necessity for securing religious equality in Poland, with special reference to the position of the Jews. At the same time a memorandum was put forward by the Economic Section of the British Delegation, in which it was pointed out that while the Treaty of Peace with Germany provided for all the obligations which it was necessary to impose on Germany, Austria, etc., in relation to

¹ The necessity of some provision was recognized and repeatedly referred to by the various territorial commissions, but they held that they had no authority to make proposals.

the new States or the ceded territories, and while in some cases it also provided to some extent for the obligations, for instance, of Poland towards Germany, it was necessarily silent as to those of the new States towards the Allies. It was suggested, therefore, that before the Treaties were signed it would be only prudent to impose by separate instruments on the new States and ceded territories, such obligations towards the Allies and also towards the enemy States as might be thought essential. If this opportunity were lost, it might never recur. The Allies, by whose efforts and sacrifices the new States had been created and the new territorial arrangements brought about, had an undoubted right and duty to see that the general interests, and their own special interests, were not prejudiced by this, and they had also a moral obligation to secure to the transferred populations rights which they formerly enjoyed, as, for instance, under the German insurance laws. To take a particular case, it was clearly desirable to require the new States to adhere to such general conventions as the Postal and Telegraph Conventions or the Industrial Property and Copyright Conventions. It seemed also desirable to require them to accept a clause by which they would be bound to adhere to any general Convention regarding the international régime of transit, waterways, ports, and railways, which might be concluded within the next five years, and also to require a stipulation that pending the conclusion of any general Convention, they would not differentiate against the commerce of the Allied and Associated States.

Clearly the whole matter was one of considerable difficulty, and it was therefore referred to a small Committee, consisting at first of a representative of the United States, France, and Great Britain—a Committee to which at a later date representatives of Italy¹ and Japan were added. The original intention seems to have been that there should at once be drafted a clause or clauses securing the essential rights of citizenship to the Jews, and dealing with the other matters, which would be included in the first draft Treaty to be presented to Germany. It was, in fact, by this instrument that for the first time the Polish State received Treaty recognition by the other States of Europe. If any condition of this recognition

¹ The committee was formed at the time when the Italians were absent from the Congress.

was to be required, this was the occasion for it; after the Treaty with Germany had been signed it would be too late. Recognition would have been granted, the western frontiers been determined, some territories assigned, and to impose conditions as to its internal Government after this had been done, would have been a most dangerous precedent.¹ It would have implied a right inherent in the Conference to interfere with the internal affairs of what would then have become a fully sovereign independent State. A very short consideration, however, showed that it would be quite impossible within the very few days available to draft the necessary clauses. Under these circumstances an ingenious device was adopted. The Council of Four approved the insertion in the Treaty with Germany of the following clause (93):

‘ Poland accepts and agrees to embody in a Treaty with the Principal Allied and Associated Powers such provisions as may be deemed necessary by the said Powers to protect the interests of the inhabitants of Poland who differ from the majority of the population in race, language or religion.

Poland further accepts and agrees to embody in a Treaty with the said Powers such provisions as they may deem necessary to protect freedom of transit and equitable treatment of the commerce of other nations.’

This method of procedure was open to the obvious criticism that by it the Poles were asked to give their signature to a blank cheque. They bound themselves to accept any conditions which the Allied and Associated Powers might require. The difficulty, however, was really one of appearance rather than of reality, because the actual draft of the clauses would be prepared and would be communicated to the Polish Government in ample time before the final signature of the Peace; all that was intended was to procure the few weeks which were necessary to come to an agreement, both among the Principal Allied and Associated Powers and also between them and the Polish Government itself.

8. *The Minorities Treaties for Poland and Czecho-Slovakia.* The necessary extension of time having been secured, the Committee was enabled to proceed with its work. Its first and immediate duty was to draft the Treaty with Poland; this, and this alone, had to be ready before the signature of the German Treaty, for it was Poland which alone received any

¹ v. p. 188 n.

appreciable amount of territory from Germany. It is for this reason that the Treaty with Poland became the occasion on which the principles at issue were discussed. It was from the beginning intended that the Treaties for the different States concerned should be as nearly as possible identical; the Polish Treaty was the pattern to which the others afterwards conformed.

The proceedings of the Committee have not been published, but much information as to the points which came up for discussion can be gleaned both from contemporary discussions in the press and from subsequent works, although in this perhaps to a less extent than in the work of other similar Committees.¹ A detailed consideration of the text of the Treaty is reserved for a later section. It is sufficient here to note that the work was done expeditiously, so that the draft Treaty was ready for submission to the Council of Four on the 14th May, and a few days later it was communicated both to the Polish Delegation and to the Polish Government. The Committee was enabled to pass on to the consideration of other similar Treaties, and this led to a very considerable extension of the scope of its work.

The Committee was originally appointed with instructions to deal with 'Poland and other new States to be created by the Treaties of Peace'. There was in fact only one other new State—Czecho-Slovakia—and in accordance with this a draft Treaty with Czecho-Slovakia on the same lines as that with Poland was in fact taken into consideration at an early stage; this, however, would be signed on the occasion of the signature of the Austrian and not of the German Treaty for the reason already explained, that the territories included in the new State would be almost entirely part of the former territories of the Austro-Hungarian Monarchy.

9. *The 'Four' extend the Treaties to Rumania and the Serb-Croat-Slovene State.* Poland and Czecho-Slovakia were the only two newly established States.² It was, however, deter-

¹ A reference to the original draft of the Austrian Treaty as presented on June 2 is interesting because the text of the chapter on the protection of minorities contained in it represents one of the earlier drafts which was provisionally put forward for the Polish Treaty; a comparison of this with the final text will throw some light on the history of the articles.

² The question has been asked why no similar Treaty was drafted for Finland, a new State the sovereignty and independence of which had been recognized by the Conference. The answer is presumably that, inasmuch as all the territory owned by or claimed by Finland had previously been Russian, the matter did not arise out of any of the Treaties of Peace. The time to

mined at the beginning of May by the Council of Four, on the recommendation of the Committee, that a very important extension should be given to its work, and that the principles applied to the two new States should be extended to those States in the south-east of Europe which, in consequence of the war, received important accessions of territory. These were Serbia, Rumania, and Greece.

The justification for this action is to be found in the facts related in the first section of this article ; no new principle was being established ; the Conference was merely following in the footsteps of its predecessors. If the principle were once recognized, then there could be no doubt as to the necessity of using it on this occasion.

Let us consider, for example, the case of Serbia. The growth of this State during the last ten years had been very remarkable, and had been so extensive as in fact to change, if not its identity, at any rate its whole character. It was much as if the ancient Monarchy of Scotland had suddenly been enlarged so as to include both England and Ireland, for the incorporated territories were very much larger than the original Kingdom of Serbia itself. In 1912 Serbia was a small land-locked State with a population of some three millions, all of whom, with the exception of a small body of Rumanians in the Timok, were identical in nationality, language, and religion. As a result of the Balkan Wars she had come into possession of a considerable extent of territory on the Albanian frontier, including districts in which the population was almost entirely Albanian, and, in addition, had acquired Macedonia, a country which had been for generations the site of the most acute racial conflicts, where Greeks, Serbs, and Bulgarians were inextricably intermingled. But as a result of the late war, even greater acquisitions had been made. The whole of Bosnia and Herzegovina, with its large Mohammedan population, Croatia, Dalmatia, and parts of Slovenia, were united with the old kingdom, and the total population of the State would be increased to over 12 millions.

deal with it would be when the final determination as to Finnish frontiers was made and this could not be done until there was a recognized government in Russia with whom a Treaty could be concluded. It cannot be too often insisted upon that the work of the Conference was to agree on Treaties of Peace with the former belligerent Powers and that they had not and did not claim general jurisdiction with regard to other matters not directly arising out of this.

Let us add that the very name had been changed from Serbia to the Kingdom of the Serbs, Croats, and Slovenes, and it was in fact at one time a question whether the change in the character of the State had not been so great that there had been a breach in its identity. However this may be, every consideration seemed to show that it was just and desirable to signalize these great acquisitions of territory by asking the Government to accept formal obligations of a kind similar to those which were imposed upon Poland and Czecho-Slovakia. Serbia, therefore, was to be asked to sign an undertaking, and the drafting of a special Treaty was begun.

The acquisition of territory by Rumania, though not relatively quite equal to that of Serbia, was very impressive; the population was being almost doubled. Equally important is it to note that the frontiers had been so drawn that the new districts would include more than a million who were Magyar both in speech and in sympathy, and also the isolated German community of the Saxons of Siebenbürgen. Could it be suggested by any one who knew anything of the previous relations of the two races, who had had experience of the calculated injustice to which the Rumanians had been subjected when under the lordship of the Magyar, that the Great Powers should take the responsibility of decreeing this incorporation, and not at the same time see to it that, as might otherwise well happen, similar injustice should not take place in the future? And again, quite apart from the Jewish population of old Rumania, it had to be remembered that nearly half the population of the Bukovina, which was being assigned to Rumania, was Jewish.

As a result of this decision, there were inserted in the draft Treaties with Austria and Hungary clauses binding not only Czecho-Slovakia, but also the Serb-Croat-Slovene State and Rumania, identical in wording with Article 93 of the German Treaty. The Committee then addressed a communication to M. Brătianu, inviting him to assist them in their work by giving them information as to the views of the Rumanian Government, and the proposals which they had under consideration for giving autonomy in matters of local administration to the Magyar, Szekler, German, or other minorities to be incorporated with Rumania.

10. *Opposition by the Smaller Powers at the Plenary Session,*

31st May. This action of the Supreme Council aroused very serious opposition, and formed the basis of a demonstration against the claims of the greater Powers to impose their will upon the smaller States. Something in the nature of an organized opposition to the Supreme Council, a movement towards which there had already on other occasions been some tendency, was formed, an opposition in which M. Brătianu, the Rumanian Prime Minister, took the lead. It found expression at a special Plenary Session of the Conference, which began on the 29th May¹ for the purpose of considering the text of the Austrian Treaty. The press were excluded and the proceedings regarded as confidential, but it appears that apart from technical criticism of individual clauses in the draft Treaties, the main point which was put forward was that the States concerned were ready to accept any general regulations which were accepted equally by all States belonging to the League of Nations, but were not prepared to admit interference by foreign Governments which was confined only to certain States, an interference which, it was suggested, infringed the cardinal principle of State sovereignty. It was pointed out that a clause imposing general recognition of religious toleration, as a part of the draft of the League of Nations, on all Members of the League, had in fact been rejected, and the question could be asked why an obligation which the Great Powers refused to undertake themselves should be imposed upon others. The answer to these questions and to this criticism will be found in the first section of this article. The Supreme Council did not claim to be laying down general principles to be applied to all States, whether large or small, whether old-established or in the course of creation. They had to deal purely with certain positive urgent difficulties which in fact were also local. It was they who by their successes in the war had brought about the conditions under which the transference of populations was being made, and they in fact were taking upon themselves the responsibility of determining the frontiers. By doing so they obviously had clear and definite responsibility towards the populations concerned, a responsibility from which they could not free themselves. The League of Nations would be called in, not in virtue of any general authority which it had to secure good government or any

¹ It was adjourned till the 31st, when the Minorities Treaties were fully considered.

general principles of government in all States constituting the League, but merely to guard and guarantee certain specific rights arising out of definite treaties. For these reasons the request to remit or modify the demand was refused.

11. *President Wilson's Speech, 31st May.* The position was clearly explained in an important speech by President Wilson : ¹

‘ Mr. President, I should be very sorry to see this meeting adjourn with permanent impressions such as it is possible have been created by some of the remarks that our friends have made. I should be very sorry to have the impression lodged in your minds that the great powers desire to assume or play any arbitrary rôle in these great matters, or assume, because of any pride of authority, to exercise an undue influence in these matters, and therefore I want to call your attention to one aspect of these questions which has not been dwelt upon.

We are trying to make a peaceful settlement, that is to say, to eliminate those elements of disturbance, so far as possible, which may interfere with the peace of the world, and we are trying to make an equitable distribution of territories according to the race, the ethnographical character of the people inhabiting those territories.

And back of that lies this fundamentally important fact that when the decisions are made, the allied and associated powers guarantee to maintain them. It is perfectly evident, upon a moment's reflection, that the chief burden of their maintenance will fall upon the greater powers. The chief burden of the war fell upon the greater powers, and if it had not been for their action, their military action, we would not be here to settle these questions. And, therefore, we must not close our eyes to the fact that in the last analysis the military and naval strength of the great powers will be the final guarantee of the peace of the world.

In those circumstances is it unreasonable and unjust that not as dictators but as friends the great powers should say to their associates : “ We cannot afford to guarantee territorial settlements which we do not believe to be right, and we cannot agree to leave elements of disturbance unremoved, which we believe will disturb the peace of the world ” ?

Take the rights of minorities. Nothing, I venture to say, is more likely to disturb the peace of the world than the treatment which might in certain circumstances be meted out to minorities. And, therefore, if the great powers are to guarantee the peace of the world in any sense is it unjust that they should be satisfied that the proper and necessary guarantee has been given ?

I beg our friends from Rumania and from Serbia to remember that while Rumania and Serbia are ancient sovereignties the settlements of this conference are adding greatly to their territories. You cannot in one part of our transactions treat Serbia alone and in all of the other parts treat the kingdom of the Serbs, the Croats and the Slovenes as

¹ This version of President Wilson's speech at the Plenary Session was issued from the White House, 11th October 1920, being the shorthand notes of the President's stenographer on 31st May 1919.

a different entity, for they are seeking the recognition of this conference as a single entity, and if this conference is going to recognize these various powers as new sovereignties within definite territories, the chief guarantors are entitled to be satisfied that the territorial settlements are of a character to be permanent, and that the guarantees given are of a character to insure the peace of the world.

It is not, therefore, the interventions of those who would interfere, but the action of those who would help. I beg that our friends will take that view of it, because I see no escape from that view of it.

How can a power like the United States, for example—for I can speak for no other—after signing this treaty, if it contains elements which they do not believe will be permanent, go three thousand miles away across the sea and report to its people that it has made a settlement of the peace of the world? It cannot do so. And yet there underlies all of these transactions the expectation on the part, for example, of Rumania, and of Czecho-Slovakia, and of Serbia, that if any covenants of this settlement are not observed, the United States will send her armies and her navies to see that they are observed.

In those circumstances, is it unreasonable that the United States should insist upon being satisfied that the settlements are correct? Observe, Mr. Bratiano—and I speak of his suggestions with the utmost respect—suggested that we could not, so to say, invade the sovereignty of Rumania, an ancient sovereignty, and make certain prescriptions with regard to the rights of minorities. But I beg him to observe that he is overlooking the fact that he is asking the sanction of the allied and associated powers for great additions of territory which come to Rumania by the common victory of arms, and that, therefore, we are entitled to say: "If we agree to these additions of territory we have the right to insist upon certain guaranties of peace."

I beg my friend Mr. Kramar and my friend Mr. Trumbic and my friend Mr. Bratiano to believe that if we should feel that it is best to leave the words which they have wished to omit in the treaty, it is not because we want to insist upon unreasonable conditions, but that we want the treaty to accord to us the right of judgment as to whether those are things which we can afford to guarantee.

Therefore, the impressions with which we should disperse ought to be these, that we are all friends—of course that goes without saying—but that we must all be associates in a common effort, and there can be no frank and earnest association in the common effort unless there is a common agreement as to what the rights and settlements are.

Now if the agreement is a separate agreement among groups of us, that does not meet the object. If you should adopt the language suggested by the Czechoslovakian delegation and the Serbian delegation—the Yugoslav (?) delegation—that it should be left to negotiations between the principal allied and associated powers and their several delegates, that would mean that after this whole conference is adjourned, groups of them would determine what is to be the basis of the peace of the world. It seems to me that that would be a most dangerous idea to entertain, and, therefore, I beg that we may part with a sense, not of interference with each other, but of hearty and friendly co-operation

upon the only possible basis of guaranty. Where the great force lies there must be the sanction of peace.

I sometimes wish, in hearing an argument like this, that I were the representative of a small power, so that what I said might be robbed of any mistaken significance, but I think you will agree with me that the United States has never shown any temper of aggression anywhere, and it lies in the heart of the people of the United States, as I am sure it lies in the hearts of the peoples of the other great powers, to form a common partnership of right, and to do service to our associates, and no kind of dis-service.'

12. *The final decision.* The result of this meeting was to clear the air. The Supreme Council were now formally committed; they could not recede from the position they had taken up; the principle of the Treaties was to be applied not only to the new States—Poland and Czecho-Slovakia—but to the older Balkan States. The next thing to be done was to press on with the Polish Treaty in order to have it ready for signature at the same time as the German Treaty. It had, as we have already seen, been communicated to the Polish Delegation, and during the month of June negotiations on the matter took place between M. Paderewski, the Supreme Council, and the Committee. It is understood that while the main principle was rigidly adhered to, considerable and not unimportant modifications were, at the suggestion of the Polish Delegation, made in some of the clauses, and the others were subjected to a very careful revision in the Committee. In the final result the Treaty as thus amended was officially communicated to M. Paderewski with an intimation that it would be signed at the same time as the German Treaty. This communication took the form of a letter addressed to him by M. Clemenceau in the name of the Supreme Council, which contains a very valuable and full statement as to the motives and principles by which the Supreme Council had been actuated.¹ In consequence of this, notwithstanding the fact that the protests which M. Paderewski had made at an earlier stage were strongly supported from Warsaw, the Treaty was signed on the 28th June at Versailles.

C. THE POLISH MINORITIES TREATY ¹

13. *The Preamble.* At this stage it will be convenient, before passing on to the other treaties, to consider for a moment the actual text of the Polish Treaty which, as has already

¹ The text of the letter and of the Treaty will be found in Appendix IV.

been explained, is the type to which all the others were to conform. As soon as we do so we notice that the result of the work of the Committee was to give the Treaty a wider importance and a larger scope than probably had been originally anticipated. Instead of consisting merely of some two or three clauses securing certain rights to the Jews, it becomes a formal recognition and confirmation of the establishment of the Polish State. There had been some danger that this act, which was in truth a landmark in European history, might in the press of business be passed over; this would have been regrettable; it is always well that facts of permanent political importance should receive suitable and dignified expression. The Preamble of the Treaty therefore rehearses briefly the manner in which Poland has come into existence; it lays stress on the fact that the restoration of the Polish nation is due to the success of the arms of the Allied and Associated Powers, refers to the fact that the Russian Government had already assented to the re-establishment of an independent Polish State, and to the clause of the Treaty of Versailles by which it is agreed that the boundaries of Poland not already determined shall be fixed by the Principal Allied and Associated Powers. While recalling that Poland had already been recognized as a sovereign and independent State, it confirms this recognition within the limits so determined. Poland, on the other hand, expresses her desire 'to conform her institutions to the principles of liberty and justice, and to give a sure guarantee to the inhabitants of the territory over which she has assumed sovereignty'. It will be seen then that though this undertaking is not, as was the case at Berlin, expressly made a condition for the recognition of independence, this recognition is in fact made a counterpart to certain engagements by Poland. In this way the general responsibility of the Great Powers for the results of their own action in setting up Poland as a State is placed on record.¹

14. *Clauses dealing with principles of government.* Turning now to the contents of the Treaty, we find that it is divided into two parts, the first dealing with certain principles of government, the second with commercial and kindred matters.

¹ The first recognition of Poland had been the invitation to take part in the Conference, 18th January 1919, but see Note on recognition of States, pp. 158, 162.

The provisions of the first part again may be grouped into four sections. Of these the first, which is confined to Article 2, deals with the inhabitants of Poland, whether citizens or not, and simply secures to them full and complete protection of life and liberty without distinction of birth, nationality, language, race, or religion. Much more important is the second section contained in Articles 3-6, which secures to all *bonâ fide* inhabitants of the allotted districts that they shall not be excluded from Polish nationality and citizenship; whatever their race, language, or religion may be, they are not to be treated as aliens in the land of their birth. The Allies are granting to the Polish nation sovereignty over the territory which they inhabit. But this is not to be an exclusive sovereignty. The new nation is not, as was the old Polish nation, to be the domination of a certain portion of the inhabitants ruling over the others; all are to be taken into partnership. It is to be made impossible for the Poles to refuse to the Germans or Ruthenians or Jews resident in their country, who had formerly been Austrian, German, or Russian subjects, full rights of citizenship.

One exception to this, and one only, is allowed. In accordance with the Treaty of Peace with Germany, those Germans who had only settled in Polish provinces during recent years as part of the colonization scheme carried out by the Prussian Government, cannot claim Polish citizenship as a right. No one who knows the history of this matter will be inclined to dispute the justice of this decision.

Having determined who shall enjoy Polish nationality, the Treaty in Articles 7-8 proceeds to lay down fundamental principles that no distinction shall be made in civil rights among them because of any distinction of race, language, or religion. The right to the use of their own language is guaranteed, and also the right to maintain institutions, whether charitable, religious, or social, schools, or other educational establishments, and to exercise their religion freely therein.

It may be noted, however, that this presumably would not prevent the State interfering if such private associations were demonstrably used for purposes inconsistent with public security or order, but before proceedings were taken against them, evidence of such misuse would clearly have to be required. It does not give *carte blanche* to a hostile element of the State

to conduct without interference a campaign against the Government or integrity of the country.

The next Article (9) is that to which the greatest objection has been taken. It goes considerably farther, for, not content with giving certain freedom to the population concerned, it throws an opposite obligation upon the State. This obligation is of two kinds, though both are limited to those districts in which there is a considerable portion of Polish nationals, of non-Polish speech, or belonging to racial, religious, or linguistic minorities. The Government is required in these cases to ensure that in primary schools the instruction shall be given to such children through the medium of their own language. This of course is intended to meet the grave abuse which in fact prevailed in districts such as Prussian Poland or large parts of Transylvania, where children of tender years when sent to school had received all their instruction in a language which was not that of their own homes. The obligation, it will be noticed, is confined to primary schools, that is, to schools for younger children. It might be presumed that those who had passed on to a place of secondary, university, or higher technical education, would have acquired such proficiency in the language of the State to which they belong, that they could receive instruction in it. A special case of high importance in Poland was that of Yiddish, the half German jargon spoken by the Jews.

The next clause runs as follows :

‘ In towns and districts where there is a considerable proportion of Polish nationals belonging to racial, religious or linguistic minorities, these minorities shall be assured an equitable share in the enjoyment and application of the sums which may be provided out of public funds under the State, municipal or other budget, for educational, religious or charitable purposes.’

The object of this is clearly to provide for cases such as are common enough in Polish towns, where a large portion of the population, sometimes even a majority, are Jews. Without this the Polish Government or the Polish local authorities would be able in practice to deprive the Jews of the possibility of being treated in a public hospital or other institution established from public funds for private convenience. The clause is necessarily worded rather vaguely ; it may be taken to mean that in cases such as this, either there shall be

special hospitals for Jews provided out of public funds, or that in the ordinary hospitals there shall be provision for the supply of food in accordance with Jewish usage. In the same way provision would have to be made to prevent ignorant peasantry, such as that to be found in Galicia or White Russia, from being deprived, because of their ignorance of the Polish language, for instance, of the advantage of hospitals and other public institutions.

15. *Clauses dealing with the Jews.* So far the clauses are, as we shall see later, practically identical with similar provisions in the other Treaties. But in the Polish and in the others also, certain provisions have been inserted, the necessity for which arose out of some peculiar local conditions. In the Polish Treaty these special provisions are confined to the Jews and are only two in number. One of them provides against legislative or administrative action which would force upon the Jews a violation of their Sabbath, or place before them the alternative either of violating the Sabbath or giving up their rights as citizens. It must be remembered that a large majority of the Polish Jews observe their religious customs very strictly. The other specially confers on the Jewish community the right, subject to the general control of the State, to appoint educational committees which will provide for the distribution of public funds allocated to Jewish schools and for the organization and management of these schools. This is the one point in which some concession has been made to the demand urgently pressed for the official recognition of the Jews as a community or corporation.

As is well known, there were considerable differences among the representatives of the Jews as to the objects which they desired to secure. On the whole it may be said that the English Jews tended to confine their efforts to securing to their co-religionists the widest personal liberty and full opportunities for the use of their own religion and the maintenance of their own customs. There was, however, a party which went farther than this and aimed at getting official recognition of what they called Jewish nationality. They seem to have hoped that the Conference would give official recognition to the Jews in Poland and in other States as an organized corporation, with definite political rights, and there are indications that if this had been secured, they might then have pressed for representation of this Jewish Nationality on the League of Nations. It need not be said

that any suggestion of this kind was ruled out from the beginning. M. Clemenceau's letter specially points out that the clauses of the Treaty 'do not constitute any recognition of the Jews as a separate political community within the Polish State'.

The recognition of 'national rights' of the Jews in Poland would have been completely inconsistent with the territorial sovereignty of the State, which is the basis of our whole modern political system. It is in accordance with this that, for instance, the educational control of the schools assigned to the Jews is given not to one general Committee supervising the Jewish education for the whole of Poland, but to 'Committees' which are clearly intended to be mere local bodies. The view taken by the British Delegation throughout, and supported by the Plenipotentiaries, was that if there was to be a Jewish Nationality, it could only be by giving the Jews a local habitation and enabling them to found in Palestine a Jewish State. Any Jew, however, who was a national of a Jewish State would naturally *ipso facto* cease to be a Polish citizen.

16. *Charge that these clauses are British in origin.* Criticism has been made that the educational clauses as a whole, and especially those giving particular rights to the Jews, seem to show a tendency to impose on other nations a form of administration which is peculiarly of English origin. This criticism is not unwarranted. It is true that these clauses appear to be based upon English precedents. They are clearly influenced by the English system which allows public money to be paid to schools, the control and administration of which is, under Government supervision, to a large extent under the management either of a particular religious denomination or a semi-private corporation. It may indeed be said that we have an attempt to solve the Jewish difficulty in Poland on lines similar to those which have been adopted in this country for dealing with the education of Roman Catholics. Jewish schools would be in a position not unlike that now held by schools in England which are founded and managed by a Roman Catholic Religious Order, but which none the less receive their portion of Government grants. And again, the languages of German or Ruthenian speaking districts would be dealt with in the same way as Welsh is. This system is one very different from that which exists in most continental States, where the modern

democratic system is used to impose, both on all parts of the country and on all classes and sections within the country, a uniformity which is repudiated by English thought.

It is a system which has succeeded in this country. Under it the members of different religious denominations are educated and brought up under the influence and in the atmosphere of their own Church or community, but the large liberty which they enjoy has, as experience shows, strengthened and not weakened their attachment and loyalty to the nation of which they form part. A Welshman is not the less an Englishman because of the full recognition which is given in Wales to his own language. It was the hope that the very serious difficulties with which Poland and the other new States were confronted might be solved by adopting a similar system. Whether the hope was justified only time will show. It would be very unwise to underestimate the obstacles. If this system has succeeded in our own country it is owing to two reasons ; first the presence of a very strong Government with traditions of over 1,000 years and the inherited political experience of a nation long accustomed to self-administration. Secondly—a point the importance of which is not always sufficiently recognized—national frontiers which are unalterable, so that the very possibility of the secession of any part of the United Kingdom is excluded. Can a similar system be applied to a new country which is not an island and which has no clearly defined frontiers ? To expect this is no doubt to throw a difficult task on the people and on the Government.

17. *The Guarantees and the League of Nations.* The last Article in this section of the Treaty deals with the guarantees. Here we have a great innovation, for in it the Powers who sign the Treaty transfer to the League of Nations the responsibility for maintaining it. The object will best be appreciated by recalling the difficulties experienced under the older system ; in the first place a certain number of States received the right to supervise and interfere in the domestic legislation of other States, and secondly this system was ineffective because the right could not in practice be exercised without incurring the danger of war, not only against the State concerned, but even between the Great Powers themselves. It was hoped to remedy this by calling in the League of Nations. To quote the words of M. Clemenceau's letter :

‘ Under the older system the guarantee for the execution of similar provisions was vested in the Great Powers. Experience has shown that this was in practice ineffective, and it was also open to the criticism that it might give to the Great Powers, either individually or in combination, a right to interfere in the internal constitution of the States affected which could be used for political purposes. Under the new system the guarantee is entrusted to the League of Nations. The clauses dealing with this guarantee have been carefully drafted so as to make it clear that Poland will not be in any way under the tutelage of those Powers who are signatories to the Treaty.’

In truth there is no article in all the treaties drafted at Paris in which the necessity for a new system of dealing with international obligations or the conception of the League of Nations is so frankly and fully accepted.

The whole wording of the paragraphs requires and deserves very careful study and will doubtless in the future be the subject of much discussion.

Attention may be directed to the following points :

In the first place provision is made for a modification of the provisions ; this can be effected by a majority of the Council of the League of Nations. This point alone constitutes a great advance on the earlier system. If experience shows that any one of the provisions of the Treaty is unsuitable or dangerous to the security of the Polish State, a definite means is provided by which it could be amended and the signatory Powers explicitly agree to accept any such modification. Under the older system any one State by withholding its consent could check the necessary development to which Treaty obligations, as other forms of law, should be subject.

Again, if any dispute arises as to law or fact between the Polish Government and any one of the other signatory Powers, it is agreed that this shall be referred to the permanent Court of International Justice. The importance of this will best be illustrated by the history of the Jewish question in Rumania. A serious dispute and difference of opinion arose as to the question whether or not the Rumanian Government had carried out its legal obligations under the Treaty of Berlin. A strong *prima facie* case could be made against the Rumanians, but under the older system there was no means of getting an impartial, judicial decision as to the interpretation of the Treaty and the question whether Rumanian legislation and government action was or was not in accordance with it. The

result was that a disagreeable cause of friction was allowed to remain and continued for over 30 years. Under the newer system, if any similar complaint is made as to the action of the Polish Government, it will be removed from the political sphere ; it will be adjudicated on by a competent tribunal of lawyers and the League of Nations itself will become responsible for carrying out its decision. This is a very important step in the establishment of the reign of law in connexion with international differences, and it may be hoped that to a large extent political considerations will be eliminated from the discussion of the case, while an effective means of requiring compliance will be afforded. The older system left an alien population no resource but to look for protection to their own kindred outside ; but nothing would have been so destructive to the future prosperity of Europe as for instance to give to Germany a pretext for interference in Polish affairs, or the Magyars in Rumanian affairs ; it was far safer frankly to offer these alien populations the public guarantee of the League of Nations, and it may be suggested that it left their sovereignty an independence much less compromised.

18. *The League of Nations.* In this way then full use is made of the League of Nations, but it will also be seen that great discretion has been observed in the rights granted to the League, and that the powers assigned to it are very strictly limited. In particular everything has been avoided which might seem to assign to the League the right to make a general inquiry into or assume supervision over the internal institutions either of these or of any other States. As is well known there are many who would have desired that it should have received some such power. There is a school of thought which seemed to look to it to be in a general way a guarantee of good government in all the States of which it was composed. No such authority is however given to the League by the Covenant and any suggestion of this kind is equally absent from these Treaties. The League is called in not as an authority with the general responsibility for insuring the principles of free or constitutional Government or guaranteeing liberties of any kind, but solely and entirely as the guarantor of certain clauses in Treaties which have been made between certain sovereign States. It is only a particular case in which the League can be used to prevent differences arising between

States owing to disputes as to the execution or interpretation of a Treaty. This point is one of great importance. It is scarcely necessary to point out how dangerous a precedent would be established had the other view been adopted. It is in accordance with this principle also that the Council of the League is not qualified under the Treaties to act on complaints as to misgovernment addressed to it directly from any particular portion of the population in one of the States concerned. The Council can only be seized of the question if it is brought before it either by one of the States which are parties to the Treaty, or by some other State which is itself a member of the Council. Again, it will be noted that the right of intervention is given to the League only so far as concerns the racial, linguistic, or religious minorities; if, for instance, there is general misgovernment by which all the citizens of one of these States suffer, although this would be a violation of the second article of each of the Treaties, this is withdrawn from the cognizance of the League.

19. *Criticism of these clauses.* The objection was raised at the time in Poland and in other quarters that it was difficult to justify procedure by which the Polish State, a friendly and allied Power, was subjected to an invidious control of its internal affairs, from which Germany herself was exempted. A moment's consideration will show that it would have been completely contrary to the whole principles by which these Treaties can be justified had similar obligations been imposed upon Germany. These guarantees could only be imposed either when a completely new State was created and territories assigned to it by the act of the Allies, or when very extensive territories were, as a result of the war, assigned to an already existing State. Even in this case they could also only be justified if local circumstances were of such a nature as to make it probable that safeguards of this kind were requisite. In the case of Germany, both these conditions were absent. No new territory was being assigned to Germany and, with very small exceptions, Germany, as delimited by the Treaty of Versailles, would be a State from which had been taken away all those districts in which the danger of oppression of an alien population might have been present. The Danes of Slesvig, the pro-French of Alsace-Lorraine, the Poles of Posen and West Prussia, had ceased to be German; the only population for which in any

way a claim might have been made would have been the Serbs of Lusatia. But considering that they had been incorporated in Prussia and Saxony for over 150 years, it might well appear unwise to have recourse to special legislation for their benefit. The ultimate truth is this. If the principle of these Treaties had been applied to Germany, it would have been very difficult eventually to refuse a demand that it should be applied universally to all established States, but to do this would have been, as we have seen, a quite unprecedented innovation. No one with any knowledge of the condition of opinion on this matter can believe that such a proposal would have had any chance of acceptance or that it would have been wise to press it. This principle, if once adopted, could have been interpreted in such a way as to bring the negroes in the Southern States of America under the protection of the League; it could have been applied to the Basques of Spain, to the Welsh and to the Irish.

It was not the duty of the Peace Conference to take into consideration the general government of the whole world; they had quite enough to do to deal with the particular practical problems which inevitably came before them as a result of the war and the responsibility for which could not be avoided.

20. *Summary of general tendencies.* It might appear to be a diversion from this rule that similar clauses were inserted in the Treaty of Peace with Austria, with Hungary, and with Bulgaria, for in the case of these States, just as in the case of Germany, what had happened as a result of the war was not the assignment of an alien population, but that they were deprived of the alien populations which had formerly existed in them. On the other hand, as regards Austria and Hungary, the view may be taken that in fact they were new States, which were for the first time receiving recognition from the assembled Powers of Europe, and that therefore it would not be contrary to principle to impose upon them obligations similar to those required from other new States. With regard to Bulgaria it must also be pointed out that she was only being placed in the same position as Serbia and Rumania. It would indeed have been very invidious to have exempted Bulgaria alone of all the Balkan States from obligations which were assumed by the others. And she was in fact already bound by the older obligations. In truth if any other State had been required to sign

a similar Treaty, it would have been not Germany but Italy, for to Italy there was assigned a considerable alien population,¹ a quarter of a million Germans and 480,000 Yugo-slavs.

To sum up : the principle on which the Treaty is based is not that there is any right to impose upon an existing State any principle of government, however admirable, nor does it lay down as a general principle that it is incumbent upon any State to admit to the full rights of citizenship all inhabitants of its territories or determine the principles on which nationalization shall be allowed. It is much more limited. What the Great Powers do is in the act of assigning new territories to an already existing State, or constituting a new State, to lay down conditions on which they transfer the territories to such State. These conditions are that all *bonâ fide* inhabitants of the territories in question shall receive full rights of citizenship and that in the future no distinction shall be made between citizens in consequence of difference of race, religion, or language. In short—the Poles in taking over the sovereignty of the country assigned to them could not make laws by which the Germans, the Jews, the Ruthenians, who were already living there, should be regarded as aliens outside the community ; they were to be an integral part of the Polish nation.

21. *Formal and technical clauses.* The second part of the Treaty requires little explanation. It deals largely with formal and technical matters, which had no political purpose, but formed an essential part of the general system of international co-operation which had arisen during the last two generations, as for instance, the different postal, railway, and telegraphic conventions. It was clearly necessary for general convenience that the newly-established Government which was taking over so large a part of the former territories of Russia, Germany, and Austria-Hungary, should at the earliest possible moment come in to the general system. In addition to this we have provisions by which Poland undertakes not to make any

¹ Although no suggestion was made that Italy should enter into a binding agreement, the Italian Government volunteered a declaration of their intentions. The following passage referring to this is included in the reply of the Allies to Austria :

‘It results from the very clear declarations made by the President of the Council of Italian Ministers to the Parliament at Rome, that the Italian Government proposes to adopt a broadly liberal policy towards its new subjects of German race, in what concerns their language, culture, and economic interests’ (Reply of Allied and Associated Powers, 2nd September 1919).

discrimination against the commerce of any of the Allied and Associated Powers, but it is expressly added that all conditions accorded to the Allied and Associated States shall belong equally to all States which become members of the League of Nations. Thirdly we have a series of provisions which have obviously been drawn up in order to facilitate the work which it was assumed that the League of Nations would do in bringing about general conventions on matters such as freedom of communications and transit, or a general commercial agreement for all States which would be included in the League of Nations. It will be remembered that similar clauses had been inserted in the Treaty with Germany, and there was no reason why Poland should not in this matter undertake not to place any impediment in this very important work which it was hoped that the League of Nations would undertake. As has been pointed out in a previous chapter of this work,¹ the Commission on Ports, Waterways, and Railways had decided to begin their work by laying down general principles relating to freedom of transit. It was not possible, for the reasons explained, to complete this very important scheme; all that could be done was therefore to see to it that the way should be prepared for its completion at a later stage, and the provisions in this Treaty with Poland were an essential part of this preparation. In a general way it may be said that the attitude with regard to economic provisions is similar to that with regard to communications.

D. CZECHO-SLOVAK, YUGO-SLAV AND RUMANIAN TREATIES

We can now pass on more briefly to give an account of the other Treaties.²

22. The Treaty with Czecho-Slovakia. No difficulty seems to have occurred with this, and the Czecho-Slovak Government appears throughout to have refrained from associating itself with the protests made by the other States. The Treaty was therefore signed in due course on the 10th September 1919, on the occasion of the signature of the Austrian Treaty.

The contents are with few exceptions identical with those of the Polish Treaty. It will be noted, however, that the

¹ Vol. II, p. 96.

² Texts of above are in App. IV. The Greek Minorities Treaty is reserved for treatment in Vol. VI (Text is in Cmd. 260, Treaty ser. 1920, no. 13).

preamble in which the Principal Allied and Associated Powers confirm their recognition of the new State as a sovereign and independent member of the family of nations, gives an interesting indication as to its origin. This puts in the foreground what may be called its historical origin. It refers to the fact that 'the union which formerly existed between the old Kingdom of Bohemia, the Markgraviate of Moravia, and the Duchy of Silesia, on the one hand, and the other territories of the former Austro-Hungarian Monarchy on the other has definitely ceased to exist'. Here alone do we get a formal recognition of the composite historic origin of the Austrian Empire. It was the Act of 1526 by which the old Kingdom of Bohemia had placed itself under the rule of the Habsburgs. What happened in 1918 was that this union was dissolved.

On the other hand, counter-balancing this, we have it stated that the peoples of Bohemia, Moravia, and parts of Silesia, as well as the peoples of Slovakia, have decided of their own free will to unite, and have in fact united in a permanent union. The old historic structure having broken down, a new State is thereupon formed on the basis of free expression of the popular will.

The text of the Treaty is in most points identical with that of the Polish Treaty. It differs in two points only. First of all the special clauses regarding the Jews were omitted; this was doubtless due to the fact that the Jews form a very small part of the population of Bohemia and Moravia, and the particular reasons which made it necessary to secure specific protection for them did not exist here. On the other hand, there was inserted a special section dealing with the Ruthenians of the Carpathians. This small population was separated by the mountains from the other peoples of kindred origin and language; owing to geographical reasons it was therefore not possible to incorporate them in any State of their own nationality. It was determined that they should be assigned to Czecho-Slovakia, but at the same time that they should be given full local autonomy. This, as explained in the three clauses of the Treaty, was to consist in assigning to them a local Diet for the management of educational, religious, and other local matters. By the fact that these clauses were inserted in this Treaty, the maintenance of this autonomy becomes an international obligation for the preservation of

which the Principal Allied and Associated Powers become responsible, and the guarantee is placed under the guardianship of the League of Nations.

In the case of Czecho-Slovakia, by far the most important alien population was of course the German. They number some three millions and in view of the very pronounced animosity which has for long existed between Czech and German, it is in regard to them that the most serious difficulties may be apprehended. In view of this, it is perhaps remarkable that no special provisions have been inserted in the Treaty providing for the equitable treatment of the Germans. It may be presumed that the reason for this omission is to be found partly in the fact that the general provisions, if honestly and properly applied, will secure to the German minority all essential rights,¹ and secondly, the problem presented by this population is so fundamental, the proper solution of it is so essential to the continued security and prosperity of the new State, that it might be wiser to throw, as far as possible, full responsibility upon the Government itself.

23. *The Treaty with the Serb-Croat-Slovene State.* The Treaty with Yugo-Slavia, and also that with Rumania, presented on the other hand serious difficulties which were the subject of prolonged and at times acute controversy. The two countries agreed in this, that while they might be willing to sign some such Treaty as regards the newly-acquired territories, they would certainly not do so as to their older territory, for this, they protested, would be an infringement of their rights and status as sovereign and independent communities. In particular they took exception to the introductory words of the preamble, which read as follows :

‘Whereas since the commencement of the year 1913 extensive territories have been added to the Kingdom of Serbia. . . .’

(It is presumed that originally a similar clause was included in the Rumanian Treaty.) M. Pašić, on behalf of the Serb-Croat-Slovene State, maintained that the annexation of the districts won in the Balkan Wars had been fully completed before the outbreak of the European War and that, therefore, it was beyond the competence of the Conference to deal in any

¹ It must be noted that the educational privileges are not, as in Poland, limited to the Primary Schools ; the Germans therefore have the right to their own places of higher education.

way with these districts. As against this, the point was made that these annexations had never received the final and formal recognition of the European Powers; the conditions on which such recognition would have been given would doubtless have been considered by the Powers had not the European War intervened; it was still open to them to deal with this matter.

Stress was also laid on the point that the new State, which inherited all the obligations of the former Kingdom of Serbia, was still bound by the Treaty of Berlin; it was obviously very undesirable to maintain two systems side by side; it was also equally undesirable to leave this old treaty obligation standing while, at the same time, disregarding it. It was an essential point in the whole new scheme of international relations which was to be built up by the League of Nations that treaty obligations having once been made should be scrupulously adhered to. This was the correlative of the establishment of a League of Nations, for in the future all treaties were to be deposited and registered with the League of Nations and the existence of the League would provide the machinery, the want of which in the past had been so acutely felt, for modifying provisions which had become inconvenient. For this reason there was inserted in the Treaty a clause by which the Principal Allied and Associated Powers definitely discharged Serbia from her older obligations.¹ But this renunciation made it all the more essential that the new obligations which were substituted for the old should apply not only to the newly acquired territories, but to the whole of older Serbia.

24. *The Macedonian Question.*² Regarded not from the point of view of form and legality, but of practical expediency, there were very urgent reasons why the Conference should not give way upon this matter. It was generally agreed that the old Kingdom of Serbia had fully carried out both in the letter and the spirit the obligations undertaken under the Treaty of Berlin and no complaints had been received on this score. It was, however, notorious that the territories acquired in 1913, which included Macedonia and districts

¹ 'The Principal Allied and Associated Powers, taking into consideration the obligations contracted under the present Treaty by the Serb-Croat-Slovene State, declare that the Serb-Croat-Slovene State is definitely discharged from the obligations undertaken in Article 35 of the Treaty of Berlin of July 13, 1878.' [This should be compared with Articles 9 and 12.] (See Appendix IV.)

² v. also Vol. IV, Chap. VII, § 2, p. 433.

inhabited by Albanians, had a population of so composite a character that here above all some kind of safeguard seemed desirable in the interests of Serbia herself, and certainly for the general pacification of the Balkans. In the Treaty of Constantinople, by which Macedonia had been handed over by Turkey to Serbia, there were clauses securing to the Mussulman population fullest freedom for the continued use of their religion; but on the other hand, nothing was said about the Christians, and unfortunately in the past the feeling between the different Christian races inhabiting Macedonia had been much more bitter than that between the Christians and the Mussulmans. There was in fact no district in Europe with regard to which it was so essential that a guarantee should be given as to the treatment of the population; if no special clauses were inserted, the least that could be done was to give to the people the same protection as was being awarded to the Germans and Ruthenians in Poland. It was impossible for the Conference to recede from the position they had taken up; the Serb-Croat-Slovene Delegation were at this time also not prepared to surrender their point, and in consequence when the time came for the signature of the Austrian Treaty, they refused to append their signature. It was, however, eventually signed on the 5th December 1919.

The text of the Treaty as finally signed calls for no special comment. The clauses about the Jews are omitted, but in place of them there is inserted a special article dealing with the Mohammedans, an article which was also reproduced in the Greek Treaty. It may be noted that this goes much less into details and is much less stringent than the similar clauses which were placed in the Treaty of Constantinople between Serbia and Turkey.

25. *The Treaty with Rumania.* The history of the Rumanian Treaty is very similar to that of the Serb-Croat-Slovene Treaty. The Rumanians also refused at first to sign and a prolonged controversy ensued. For other reasons the relations between Rumania and the Peace Conference were in the autumn of 1919 very strained and the discussion as to the Minorities Treaty was involved in the general settlement, the stages of which are explained in Vol. IV, Chapters II and IV, pt. II. Like the Yugo-slav Treaty it was eventually signed on the 5th December 1919.

As a result of these discussions considerable modifications were made in the text of the Treaty. It is noticeable first of all that the clause freeing the Rumanians from the obligations entered into at the Congress of Berlin was at the request of the Rumanian Government eliminated.¹ The attitude of the Rumanians on this point is not easy to understand. They seem to have regarded the whole system with such dislike that they repudiated any reference to it and they carried this attitude to such a degree that they would not accept even a formal discharge from their obligations ; they preferred to act as if they did not exist.

In addition to this, special clauses relating to the Jews, similar to those in the Polish Treaty, were cut out, but as a substitute for them there was incorporated a clause :

‘ Rumania undertakes to recognise as Rumanian nationals *ipso facto* and without the requirement of any formality, Jews inhabiting any Rumanian territory, who do not possess another nationality.’

By this the problem of the treatment of the Rumanian Jews, which has for forty years occupied their co-religionists in other countries, has, it may be hoped, been finally and definitely settled. Special clauses were introduced into the Treaty securing to the isolated communities of the Szeklers and the Germans of Transylvania local autonomy in matters of education and religion.

¹ A careful perusal of the published text of the Treaty shows traces of this ; in the English version the word ‘ and ’ has been left at the end of the second paragraph of the preamble, showing that there were other clauses, which have now disappeared.

TABLES AND SUMMARIES

I. STATISTICAL TABLES

TABLE I. DISMEMBERMENT OF AUSTRIA.

„ II. DISMEMBERMENT OF HUNGARY.

„ III. YUGO-SLAVIA.

„ IV. RUMANIA.

„ V. CZECHO-SLOVAKIA.

„ VI. POPULATIONS AFFECTED BY MINORITIES TREATIES.

TABLE I. DISMEMBERMENT OF AUSTRIA

THE statistical tables which are appended are based upon the official census returns for 1910. Various adjustments have been made. In the case of the Hungarian figures the numbers of Magyars and Germans who are in reality Jews have been estimated and deducted from the numbers of Magyars, &c., officially recorded in the census; at the same time the numbers under rubric Jews are inserted in their correct place in the table as one of the peoples of Hungary. The values are given in round numbers for two reasons: the new frontiers are not known with precision, while the changes in population since 1910, both those due to natural causes and those consequential upon warfare, render the 1910 values somewhat inaccurate.

(Census of 1910. Population in thousands.)

Germans. Czechs. Yugo-slavs. Italians. Poles. Ruthenes. Jews.*

To :							
Austria . . . . .	..	..	80	..	..	..	..
Czecho-Slovakia . .	3,486						
Yugo-slavia	72		408	7	..	..	..
Italy	229		480	365	..	..	..
Poland (W. Galicia) .	..		..	..	2,360	70	232
Rumania†	168		..	..	36	305	273
Unassigned, but taken from Austria (E. Galicia) . . . . .	..	..	..	..	1,441	3,138	640

* Slovenes mainly in Carniola, and Croats in Dalmatia.

† i.e. Bukovina.

NOTE.—Area of New Austria excluding West Hungary (Table II), 86,000 sq. km.

TABLE II. DISMEMBERMENT OF HUNGARY

This is based upon the details of the Hungarian Census for 1910. The new boundaries were marked upon a large-scale map and the villages which have fallen into the new areas were tabulated and the totals embodied in the table. At the same time an attempt has been made to disentangle the Jews from the mass of 'nationalities' where they are recorded mainly as Magyars and Germans by using the religious statistics; the results tabulated incorporate the figures obtained by a much more detailed study which involved the consideration of the four censuses taken since 1880.

The values tabulated are expressed in round numbers and indicate, on broad lines, that the principle of nationality has been effectively applied to the cases of the Slovaks, Yugo-slavs, and Rumanians, but not to that of the Magyars. It was absolutely impossible to apply it to the Germans except in Western Hungary. The Magyars in Hungary are but two-thirds of the Magyar total, they could not expect to include the Szeklers of Transylvania, but in other districts there is no doubt that a frontier drawn somewhat differently would have left the Magyars largely under one political allegiance. It is probable that the numbers of Magyars indicated in the table as inhabitants of Czecho-Slovakia are in excess of the facts now (1921) as the Census is ten years old and the urban Magyars—officials in many cases—will have left their former homes, but the new boundary of Hungary in the north and east is well within the territory inhabited by Magyars and Magyars only.

POPULATION IN THOUSANDS.

<i>Shares of the New States.</i>	<i>Area in square km.</i>	<i>Per cent. of total population.</i>	<i>Total.</i>	<i>Magyars.</i>	<i>Germans.</i>	<i>Jews.</i>	<i>Slovaks.</i>	<i>Rumanians.</i>	<i>Ruthenes.</i>	<i>Yugo-slavs.</i>	<i>Others.</i>
Hungary .	91,100	36	7,540	6,250	480	480	180	50	—	50	70
(Budapest) .	—	(4)	(880)	(583)	(48)	(204)	(20)	(3)	—	(7)	(15)
Austria* .	4,100	2	330	25	235	20	—	—	—	50	—
Czecho-Slovakia	61,600	17	3,560	955	120	270	1,720	10	430	5	50
Yugo-slavia	62,800	20	4,200	560	460	40	60	70	10	2,850	150
Rumania .	101,900	25	5,210	1,550	520	138	10	2,820	20	50	102
Fiume .	54	—	50	5	2	2	—	—	—	15	26
	321,554	—	20,890	9,345	1,817	930	1,970	2,950	460	3,020	398

* i. e. West Hungary.

TABLE III. YUGO-SLAVIA

Germans, Yugo-slavs and Italians assigned to Italy, under Treaty of London, Wilson line, &c., Treaty of Rapallo

1. Treaty of London

	<i>Italians.</i>	<i>Yugo-slavs.</i>	<i>Germans.</i>
(a) Trentino	360,994		13,916
Central Tyrol	16,510		215,345
	377,504		229,261
(b) Carinthia	Stated to be negligible.		
Trieste	118,959	59,319	
Gorizia }	90,119	154,750	
Gradisca }			
Istria (including Lussin & Cherso) . .	147,417	223,318	
Western Carniola		40,000	
	356,495	477,387	
(c) Northern Dalmatia (including all islands except Arbe, Veglia and Brazza)	13,859	274,184	
	To Italy 370,354	751,571	

STATISTICAL TABLES

2. (a) *Wilson line as in Memoranda of 14th and 23rd April 1919*

This is obtained by making the following deductions from the Treaty of London line :

	<i>Italians.</i> <i>Yugo-slavs.</i>			<i>Italians.</i> <i>Yugo-slavs.</i>	
Northern Dalmatia and islands . .	13,859	274,184	Giving to Italy under the Wilson line .	343,262	365,128
Carniola		40,000			
Cherso	2,296	5,714			
Lussin	7,588	4,370			
Albona	2,396	14,305			
Volosca }					
Castelnuovo } . .	953	47,870			
	27,092	386,443			

NOTE.—Fiume was to be internationalized.

(b) *Wilson line as modified in 9th December 1919 Memorandum*

		<i>Italians.</i> <i>Yugo-slavs.</i>	
		343,262	365,128
To Italy {	Add Albona		40,000
	Parts of Volosca . .		
	Lissa	92	9,943
	and Lussin	7,588	4,370
		350,942	419,441

NOTE.—City of Fiume to form part of the independent buffer-state of Fiume 40,000 200,000

3. *14th January 1920 Revised Proposals*

These represent the Treaty of London line less Cherso, Northern Dalmatia and islands, but including Lissa and Lagosta as well as the contiguous strip to Fiume.

	<i>Italians.</i>	<i>Yugo-slavs.</i>
Istria, Gorizia, Carniola, &c. (less Cherso) . .	354,299	471,673
Add Lissa	92	9,943
Lagosta and Pelagosa	—	1,384
Strip contiguous to Fiume	—	1,000
To Italy	354,391	484,000

NOTE.—Fiume to be independent under the League—contiguous strips ceded to Italy.

4. *Rapallo Treaty, 12th November 1920*

	<i>Italians.</i>	<i>Yugo-slavs.</i>
Istria, &c.	354,381	484,000
Add Zara	11,000	6,000
	365,381	490,000
Deduct Lissa	92	9,943
Strip contiguous to Fiume	—	1,000
To Italy	365,289	479,057

5. *Free State of Fiume. Census of 1910.*

City of Fiume :		[These were made up as follows :	
Population	49,806	Magyars	6,493
Deduct Garrison	(1,314)	Germans . . .	2,315
	48,492	Slovaks . . .	192
		Rumans . . .	137
		Serbs and Croats .	13,351
		Others (i. e. Italians)	27,318
			<u>49,806</u>

Strip contiguous to Fiume.

Yugo-slavs 1,000

NOTE.—Šušak, the suburb of Fiume, is ceded to Yugo-slavia. Its population (1910) was : Italians, 1,500 ; Yugo-slavs, 11,000.

Summary of Results. (Census of 1910.)

	<i>Italians. Yugo-slavs. Germans.</i>		
(1) <i>Treaty of London :</i>			
(a) Trentino, Tyrol, &c. . . .	377,504		
(b) Istria, &c.	356,495	477,387	
(c) Dalmatia, including islands	13,859	274,184	
	<u>370,354</u>	<u>751,571</u>	229,261
(2) <i>Wilson line :</i>			
(a) 14th and 23rd April 1919 . . .	343,262	365,028	
(b) As modified 9th Dec. Memorandum	350,942	419,441	
(3) <i>14th Jan. 1920 Revised Proposals . .</i>	354,391	484,000	
(4) <i>Rapallo Treaty</i>	365,289	479,057	
(5) <i>Free State of Fiume and contiguous strip</i>	27,318	1,000	

6. *Territory and populations claimed by and assigned to Yugo-slavia in Hungary (excluding Croatia-Slavonia) and in Austria (east of road from Klagenfurt to Laibach). (Census of 1910.)*

(Population in thousands.)								
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	<i>Surface.</i>	<i>Total</i>	<i>Slavs.</i>	<i>Others.</i>	<i>Magyars.</i>	<i>Germans.</i>	<i>Rumans.</i>	<i>Total</i>
	(sq. km.)	<i>popula-</i>						<i>non-</i>
		<i>tion.</i>						<i>Yugo-sla-</i>
HUNGARY : *								
Claimed	37,893	2,592	608	172	893	631	288	1,984
Assigned	21,000	1,680	567	225*	484	337	70	1,113
AUSTRIA : †								
Claimed	8,014	615	451			150		
Assigned	6,095	490	408			72		

* Excluding Croatia-Slavonia. Item no. 5 (others) includes about 60,000 Slavs not recognized as such in 1910 census.

† To the east of the road from Klagenfurt to Laibach.

7. *Total Population of Yugo-slav State. (Census of 1910.)*

(Population in thousands.)									
Kingdom of Serbia	.	.	.	.	.	.	.	.	4,550
Croatia-Slavonia	.	.	.	.	.	.	.	.	2,622
Bosnia, &c.	.	.	.	.	.	.	.	.	1,898
Dalmatia	.	.	.	.	.	.	.	.	950
Parts of Hungary	.	.	.	.	.	.	.	.	1,680
Slovenia	.	.	.	.	.	.	.	.	1,500
Montenegro	.	.	.	.	.	.	.	.	435 *
									13,635

* Figure of 1920.

TABLE IV. RUMANIA

*Territory and Populations claimed by and assigned to. (Census of 1910.)*1. *Rumanian Acquisitions in 1913.*

(Population in nearest thousands.)

	Surface, sq. km.	Population.	Rumans.	Others.
Rumania in 1912	131,353	7,234	6,934	300
Acquired by Treaty of Bucharest, 1913	7,630	273	6	267
	<u>138,983</u>	<u>7,507</u>	<u>6,940</u>	<u>567</u>

2. *Claimed and Acquired under Austrian and Hungarian and Bessarabian Treaties, 1919-20.*

(Population in thousands.)

District.	Surface, sq. km.	Total popula- tion.	Rumans.	Ruthenes.	Germans.	Poles.	Magyars.	Others.	Total non- Rumans.
BUKOVINA :									
Claimed									
Assigned	8,796	794	273	305	168	36	10	1	521
TRANSYLVANIA and adjacent counties :									
Claimed	93,222	4,956	2,336	20	318	—	2,121	179	2,620
Assigned	84,000	4,294	2,310		294	—	1,475	195	1,984
BANAT :									
Claimed	28,522	1,582	592	20	387	—	242	358	990
Assigned	19,000	922	516		226	—	75	105	406
BESSARABIA (Cen- sus of 1912) :									
Claimed									
Assigned	44,000	2,583	1,710	285	62	138	—	94	873
						Bulgars, 52		Jews, 242	
TOTAL :									
Claimed	174,540	9,917	4,911	610	935		2,373	1088	5,006
Assigned	155,796	8,593	4,909	610	750		1,560 *	864	3,784

* Including Jews (cp. Table II).

3. Summary.

	Surface. sq. km.	Total population.	Rumans.	Non- Rumans.
Total acquired previous to 1914	138,983	7,507	6,941	567
Total in 1920	295,371	16,101	11,750	4,351

TABLE V. CZECHO-SLOVAKIA

1. Populations assigned to. (Census of 1910.)

(Population in nearest thousands.)							Religious statistics.	
Czechs. Slovaks. Germans. Magyars. Ruthenes. Poles. Total.								
Bohemia	* 6,135†	3,486	1	157	9907	11,713 R.C.	591 Uniat	Cath. 12,305
Moravia								
Silesia								
Slovakia	1,897	198	901	111	9	3116	587 Luth.	Prot. 931
Ruthenia	4	62	169	319		572	362	Jews.
Hlubčice† (Leob- schütz) (Silesia)	6	34			1	41	39	Others.
	6,141	1,901	3,781	1,071	432	167	13,636	

Note. Populations, not specifically mentioned, included in general total.

2. Summary.

	Territories. (sq. km.)	Population.
Claimed	148,983	14,191,338
Assigned	140,576	13,636,390 ||

* Includes Vitovar, Valčice, Ratibor, and Teschen and Zips areas assigned to Czecho-Slovakia.

† No distinction between Czechs and Slovaks, Jews not separated as in Table II.

‡ Inclusion dependent on future plebiscite in Upper Silesia (based on *Manuel statistique de la Rép. Tchecoslovaque*, i, p. 95, 1920).

|| Includes Hlubčice and Teschen.

TABLE VI. POPULATIONS AFFECTED BY MINORITIES TREATIES.

(Census of 1910.)

(Population in thousands.)							
Total population.	Germans.	Magyars.	Jews.	Ruma- nians.	Yugo- slavs.	Ruthenes	
Poland	(boundaries undefined) 70*					3,138 *	
Serb-Croat-Slovene State †	13,535	532	560	40	70	10	
Rumania	16,101	789	1,580	138		50	610
Czecho-Slovakia	13,636	3,781	1,071	?	10	5	432
	43,272	5,102	3,191	248	80	55	4,190

* In military occupation of Poland but not assigned to her (i. e. East Galicia only).

† There are some 600,000 Mussulmans in Bosnia, &c., and probably 150,000 in Montenegro.

II. EXECUTION OF NAVAL AND SHIPPING CLAUSES OF AUSTRIAN, HUNGARIAN, AND BULGARIAN TREATIES

A. DISPOSAL OF AUSTRO-HUNGARIAN NAVY AND COMMERCIAL FLEET

(For general principles of Naval Clauses in Treaties, v. Volume II, pp. 141-58.)

1. *Austro-Hungarian Navy.* (Austria, Arts. 136-43, this Vol., pp. 212-3; Hungary, Arts. 120-7, this Vol., pp. 212-3.)

15 Battleships	surrendered to be broken up :	Great Britain 6, Italy 4, France 3 ; 2 converted into pontoons.
2 Cruisers	" " "	Great Britain 2.
9 Light Cruisers	" " "	Great Britain 6.
" "	for incorporation :	Italy 2, France 1.
19 Destroyers	to be broken up :	Italy 8, France 2.
" "	for incorporation :	Italy 7, France 1, Greece 1.
51 Torpedo-Boats (High Sea)	to be broken up :	Great Britain 20, Italy 1.
	for police duties :	Yugo-slavia 12, Rumania 7, Greece 6, Portugal 5. ¹
37 Torpedo-Boats		
10 Torpedo-Gunboats		
5 Mining Vessels	surrendered to be broken up.	
3 Mine Dépôt Ships		
2 Submarine Dépôt Ships		
1 Salvage-Tug	surrendered for incorporation :	Italy 1.
10 Monitors	" " "	Yugo-slavia 4, Rumania 3, Danube Commission 3. ²

Remaining to Austria and to Hungary.

8 Patrol-Boats for police duties : Austria 4, Hungary 4.

(v. Answer to Sir W. Howell Davies, House of Commons, 21st April 1921.)

2. *Distribution of Austro-Hungarian Commercial Fleet.* (v. Austria, Part VIII, Annex III, this Vol., pp. 227-8 ; v. Hungary, Part VIII, Annex III, this Vol., pp. 227-8.)

Total tonnage of ex-Austrian and ex-Hungarian vessels over 2,000 tons gross, about 700,000 tons. 'The whole of this tonnage is under Italian management, with the exception of about 61,000 tons, which is under the temporary management of France. Up to the present the Reparation Commission have only allotted 21 ex-Austrian vessels of 104,449 tons for final ownership, the whole of this amount being allotted to Italy.' (v. Answer to Sir W. Howell Davies, House of Commons, 14th April 1921.)

B. DISPOSAL OF BULGARIAN NAVY AND COMMERCIAL FLEET

(1) *Bulgarian Navy.* (v. Bulgaria, Arts. 83-8, this Vol., pp. 322-3.)

Left to Bulgaria	4 Torpedo-Boats (3 damaged) to be used for police purposes and armament limited to one light gun.
" "	6 Motor-Boats (4 damaged).

¹ Two in bad condition.

² To be converted into pontoons.

Otherwise disposed of 1 gunboat, sold for benefit of Allied and Associated Powers.

" " 1 Submarine, allocated to Great Britain and to be sold for her benefit.

(2) *Bulgarian Commercial Fleet.*

No treaty provision for distribution among Allied and Associated Powers.
(v. Answer to Sir W. Howell Davies, House of Commons, 28th April 1921.)

III. RECOGNITION OF NEW STATES SINCE 1913

A. NOTE ON RECOGNITION OF CERTAIN STATES (POLAND, SERB-CROAT-SLOVENE STATE, CZECHO-SLOVAKIA)

1. *Recognising Authorities.* The doctrine of recognition of states has always been somewhat disputed, but it has usually been admitted that recognition of a new state by an important state is bound ultimately to involve recognition by the general family of nations. But, at present, both the Supreme Council and the League of Nations possess great authority for the purpose of recognising states, and yet sometimes conflict with one another in their use of it. E.g. Esthonia and Latvia were refused admission to the League by the Assembly on the 17th December 1920, but received recognition *de jure* from the Supreme Council on the 26th January 1921. Albania was admitted to the League on the 17th December 1920, but so far (end March 1921) she has not been recognised *de jure* by the Supreme Council or by any important state.

No attempt can be made here to solve these difficulties, but a short description will be given of the circumstances attending the recognition of Poland, the Serb-Croat-Slovene State and Czecho-Slovakia, which raise some new and important points.

2. *Three Conditions necessary to the Existence of a State.* According to doctrines generally accepted in international law 'statehood itself is independent of recognition'.¹ The existence of the state itself is a question of fact, but recognition is necessary to admit a state into the common family of nations, for international law cannot take notice of an unrecognised state. The conditions necessary for the existence of a state have been much disputed, but on three there is universal agreement among international lawyers. A state must have (a) a definite territory, (b) a population inhabiting this territory, and (c) a sovereignty exercised on this territory, both internally in the sense of being imposed on the inhabitants of the territory by legal measures, and externally in that it is not interfered with and rendered impossible in fact, or irregular in law, by the sovereignty of another state.

During the late war certain utterances were made by the Allied (or Enemy) Powers with a view to creating or assisting the formation of a state by propaganda, and these utterances have been, inaccurately,

¹ v. Oppenheim, *International Law*, 1905, Vol. I, p. 110; v. also Hall, *International Law* (7th edition), 1917, pp. 85-8; T. J. Lawrence, *Principles of International Law* (1898), pp. 84-90; and A. S. Hershey, Article in *American Journal International Law*, October 1920, who gives full reference to American authorities.

termed recognition. In fact recognition only becomes operative when the above-named three conditions are fulfilled.

8. *Poland.* A case might be made out to show that Poland had received recognition before the war had ended, because public utterances were made before the end of the war by the Powers, whether Central or Allied, of her right to independence.¹ It would appear, however, that her internal conditions were unstable. On the 5th November 1916 the independence of Russian Poland had been declared by Germany and Austria-Hungary. But the Polish Regency Council, which ruled Russian Poland, was certainly under German or Austro-Hungarian control until the 11th November 1918, and, after that date, a period of something like anarchy ensued, which was certainly not ended until the 30th December 1918. Consequently, Poland did not, in fact, fulfil the conditions of a state until that date, or perhaps until some days later. It might reasonably be held that the formal admission of Poland's plenipotentiaries to the Peace Conference (18th January 1919)² was the earliest date at which such recognition really came into force. Some authorities even place that date as late as the signature of the German treaty (28th June 1919). The Polish boundaries are not even yet everywhere defined.

4. *Serb-Croat-Slovene State.* This case presents more difficulty because Serbia was already a sovereign independent state, and the question arises as to when the new state, remodelled and including the three races, came into existence. It could hardly be said that a substantial part of both Croat and Slovene territory was under the control of the Serb-Croat-Slovene Government until the petitions and representatives of these areas reached Belgrade, and the Regent signified his assent to union by decree (1st December 1918), confirmed by Act of Serbian Skupshtina in conjunction with a national representative convention (16th December 1918), and till a combined national and representative ministry was appointed.³ Much of the Slovene and Croat territory was, by that time, liberated. The Great Powers, however, refused to admit Serb-Croat-Slovene plenipotentiaries to the Peace Conference (18th January 1919), recognising them as purely Serbian representatives. The United States recognised the Serb-Croat-Slovene State on the 5th February. On the 1st May credentials for the German treaty were verified, and these were accepted in the name of the Serb-Croat-Slovene State, not of Serbia. This was done in the absence of Italy, but on the 2nd and 6th June respectively Great Britain and France publicly recognised the new state, and the recognition of Italy and all other signatory Powers of the treaty with Germany must date from the signature of that treaty (28th June 1919), which mentions the Serb-Croat-Slovene State by name in the Preamble and in certain articles thereof. In practice, however, recognition would appear to have been really accorded on the 1st May.

In this case, owing to the opposition of Italy, the recognition of a new state was deferred beyond the time at which it had, in fact,

¹ v. References and Quotations, Vol. I, pp. 181, 183-4, 199.

² Most international lawyers would think this enough, for the form of recognition does not matter. 'Any act is sufficient which indicates intention', v. T. J. Lawrence, *International Law* (1898), p. 98.

³ For the special case of Montenegro, v. Vol. IV, pp. 201-4.

fulfilled the three necessary conditions required. The time at which these were fulfilled was evidently on the 1st or 16th December 1918.

5. *Czecho-Slovakia*. This case presents almost as great a difficulty as that of Poland. For though at different times various Powers recognised the existence of a Czecho-Slovak army, of a provisional government and even of a nation, and recognised them also as belligerents, these actions do not necessarily involve, at least in international law, the recognition of the Czecho-Slovak State. That depended on the legal situation in 1914 and on its alteration by events up to and during 1918. It is quite impossible to contend that the Kingdom of Bohemia, the Markgraviate of Moravia, etc., were separate states in 1914, though the Austrian and Czecho-Slovak Governments have both made such contentions. Even less is it possible to contend thus with regard to the Slovak area of Hungary. These different regions were not under a single administrative head and possessed no proper and single sovereignty. It is true that there was mutiny among Czech regiments, and insurrection among Czech subjects, but neither movement achieved the liberation of Czech, and still less of Slovak, territory at any time previous to the end of October 1918. On the 9th October Zahradnik, a Czech Deputy, announced that the Czech members had definitely left the Parliament of Vienna. This utterance shows that, up till then, they were not independent but a part of that Parliament. Outside Czecho-Slovakia in Paris a Czecho-Slovak National Council was formed, consisting of distinguished Czecho-Slovak exiles, and ultimately Czecho-Slovak volunteers were formed into three armies in France, Italy and Siberia. Recognition by the Allied Powers of the control of the Czecho-Slovak National Council over its army, or declarations of sympathy with Czecho-Slovak national aspirations, did little more than indicate that a Czecho-Slovak state might arise in the future, though they helped to create conditions favourable to that end.

The utterances of the Allied Powers would, themselves, show this. M. Pichon, on behalf of the French Republic, in a letter of the 29th June 1918, recognised 'publicly and officially the (Czecho-Slovak) National Council as the governing organism of the general interests and as the *just basis of the future Czecho-Slovak Government*'. Mr. Balfour, on the 9th August 1918, wrote: 'Great Britain regards the Czecho-Slovaks as an allied nation . . . recognises the unity of the three Czecho-Slovak armies as an allied and belligerent army . . . recognises the rights of the Czecho-Slovak National Council, as the supreme organ of the Czecho-Slovak national interests, and *as the present trustee of the future Czecho-Slovak government*.'¹ On the 2nd September 1918 (published 3rd) President Wilson went further: 'the Czecho-Slovaks *having in the prosecution of their struggle for independence in the present war confided the supreme political authority to the Czecho-Slovak National Council, the Government of the United States recognises that a state of belligerency exists between the Czecho-Slovaks thus organised and the German and Austro-Hungarian Empires*'.

It has been claimed for all these utterances, and more particularly for the last, that they constituted a recognition of an independent Czecho-Slovak state. It is, however, obvious from the italicised

¹ Published 11th August 1918.

passages that they did nothing of the sort, and that they all struck a futurist note, recognising only the efforts of armies and the existence of an embryonic government striving to achieve independence. For it was true even on the 8rd September 1918 that the independence of Czecho-Slovakia depended on the victory of the Allies.

On the 15th October 1918 M. Pichon struck a new and important note at the moment at which the Czecho-Slovak National Council of Paris issued its decree of independence. He published a statement that he 'unreservedly recognises . . . the new government and adds an expression of his profound satisfaction'.¹ A similar utterance was made by Baron Sonnino on the 24th October 1918. These utterances are definite, and the verbal recognition is practically complete, but the condition of statehood and of national independence remained to be achieved. There had not been a *de facto* liberation of the territory and population of the Czecho-Slovak State.¹

It does not appear that this liberation had already taken place. On the 1st November all Hungarian troops were ordered to lay down their arms; on the 8rd November Austria-Hungary signed an armistice with the Powers. It was not till the 5th November 1918 that the Czech deputies from the National Council of Paris arrived at Prague, or that the first session of the National Committee took place, which was in fact the first appearance of a provisional government and assembly sitting in the capital of the areas liberated and in direct connexion with the National Council of Paris. It would appear therefore that this liberation of territory could not have taken effect till the 28th of October, and perhaps not until the 5th November.

As regards recognition therefore it seems safe to contend that all the utterances of the Powers, previous to the 28th of October or the 5th November, were in truth anticipations of the fact of statehood and not a recognition of a *fait accompli*. It cannot be contended that any of these utterances coincided with the actual fact of liberation. It might, however, be held that some of them [particularly the utterances of Mr. Balfour (9th August), President Wilson (8rd September), M. Pichon (15th October) and Baron Sonnino (24th October)] came into force as a recognition of the Czecho-Slovak State at the moment that the actual liberation was accomplished (28th of October or 5th November). If that hypothesis be not adopted, full, final, and complete recognition was accorded on the 18th January 1919 by admission of Czecho-Slovak Plenipotentiaries to the Plenary Session of the Peace Conference.²

April 6, 1921.

¹ In response to a note of M. Beneš, Secretary of the Czecho-Slovak National Council, M. Pichon quotes three incidents subsequent to President Wilson's utterance of the 8rd September 1918: (i) constitution of a National Council in agreement with chiefs left behind in Czecho-Slovakia, i.e. of a provisional government; (ii) announcement of Deputy Staněk in Parliament of Vienna that the Czech Parliamentary Club had summoned the National Council at Paris to represent the Czecho-Slovak nation at the Peace Conference; (iii) utterance of Zahradník (9th October 1918) above quoted. These three incidents show that, in fact, M. Beneš conceived the situation as altered in favour of the independence of Czecho-Slovakia by events subsequent to the 8rd September 1918.

² On 15th April 1921 the Reparation Commission stated the date of Czecho-Slovakia's belligerency (and consequently their opinion of the date of her independence) as 28th October 1918 (cp. Vol. IV, p. 118, for events in Prague on that day).

B. LIST OF RECOGNITION OF NEW STATES, ADMISSION TO LEAGUE, TERRITORIAL CHANGES, ETC. RECOGNISED TO END OF MARCH 1921¹

Abbreviations used : U.S.A. (United States); G.B. (Great Britain); Fr. (France); It. (Italy); S.C. (Supreme Council); L. of N. (League of Nations).

DATES

Albania ..	Resolution Ambassadors' Conference 29 July 1918 (independence); admitted L. of N. 17 Dec. '20.
Austria (new Govt. and territorial changes)	Austrian Treaty 10 Sept. '19, admitted L. of N. 16 Dec. '20.
Belgium (new status)	German Treaty 28 June '19.
Bessarabia (transferred to Rumania)	Bessarabian Treaty 28 Oct. '20 (U.S.A. not a party).
Bulgaria (new Govt. and territorial changes)	Bulgarian Treaty 27 Nov. '19; admitted L. of N. 16 Dec. '20.
Costa Rica (not admitted Peace Conf.)	Admitted L. of N. 16 Dec. '20.
Czecho-Slovakia	S.C. (Plenary Session of Conf. 18 Jan. '19).
Danzig (Free City of)	German Treaty 28 June '19, S.C. Act 27 Oct. '20, accepted by Danzig 9 Nov. '20.
Dodecanese (Terrl. changes) ..	Turkish Treaty 10 Aug. '20 (Cession to Italy; Greco-Italian Treaty cedes De. to Greece 10 Aug. '20).
Esthonia	<i>de facto</i> G.B. 3 May '18; commercial agreement 20 July '20; not admitted L. of N. 16 Dec. '20; <i>de jure</i> S.C. 26 Jan. '21.
Finland	<i>de jure</i> G.B. 5 May '19; admitted L. of N. 16 Dec. '20.
Fiume (Free State)	Rapallo Treaty (It. and S.C.S. State), 12 Nov. '20; G.B. 14 Feb. '21.
Hungary (new Govt. and territorial changes)	Hungarian Treaty 4 June '20. 'Certain frontiers' (transfer of terr. from P.A. and A. Powers) and 'New States' Treaties 10 Aug. '20.
Latvia	<i>de facto</i> G.B. 11 Nov. '18; not admitted L. of N. 16 Dec. '20; <i>de jure</i> S.C. 26 Jan. '21.
Liechtenstein	Not admitted L. of N. 17 Dec. '20.
Lithuania	Not admitted L. of N. 16 Dec. '20.
Luxemburg (new status) ..	German Treaty 28 June '19; admitted L. of N. 16 Dec. '20.
Memel	German Treaty 28 June '19 (status not defined).
Montenegro (new status) ..	26 Nov. '18 Podgorica Assy. deposes King Nicholas and sends petn. for union to Serb Regent, who issues decree 1 Dec. confirmed by Act of Assembly 16 Dec. '18; G.B. cancels exequaturs of Montenegrin consuls in view of union 17 Mar. '21.

¹ Recognition of New States and territorial changes, etc., in Asia and Africa reserved for Vol. VI.

Poland	S.C. (18 Jan. '19) admission to Plenary session of conference ; <i>de jure</i> G.B. 28 Feb. '19 ; German Treaty 28 June '19.
Russia—Soviet	<i>de facto</i> G.B. Commercial agt. 16 Mar. '21.
Saar Territory	German Treaty 28 June '19.
Serb-Croat-Slovene State	U.S.A. 5 Feb. '19 ; S.C. (in absence of Italy) verification of credentials 1 May '19 ; G. B. 2 June '19 ; Fr. 6 June '19 ; It. (in German Treaty 28 June '19).
Schleswig (transfer of territory from P.A. and A. Powers to Denmark)	Slesvig Treaty (5 July '20), U.S.A. not a party.
Ukraine	Not admitted L. of N. 17 Dec. '20.
West Indies (Danish)	U.S.A. note of cession by Denmark 7 May '17.

IV. LIST OF TREATIES, AGREEMENTS, ETC.

CONCLUDED BY ALLIED AND ASSOCIATED POWERS, ETC. WITH RATIFICATIONS

A 1. TREATIES, ETC., IN FORCE. (Dates are those of coming into force.)

(a) Covenant of League (10 Jan. 1920).

The Three Main Treaties.

(b) German (10 Jan. 1920). (c) Austrian (16 July 1920). (d) Bulgarian (9 Aug. 1920).

Three Treaties connected with Three Main Treaties.

(e) Slesvig (15 Dec. 1920). (f) 'Little Entente' (22 Sept. 1920). (g) Rapallo (2 Feb. 1921).

The Four Minorities Treaties.

(h) Poland (10 Jan. 1920). (i) Czecho-Slovakia (end of 1920). (k) Serb-Croat-Slovene (end of 1920). (l) Rumania (end of 1920).

A 2. AGREEMENTS, ETC., IN FORCE. (Dates are those of coming into force.)

(a) *General* (i) Convention for Aerial Navigation.

(ii) Six Draft Conventions and Recommendations *re* International Labour.

(iii) Conventions *re* Control of Arms, Liquor, etc.

(b) *Germany* (i) Military Occupation of Rhine (10 Jan. 1920).

(ii) Settlement of matters arising out of Art. 297 (31 Dec. 1920).

(c) *Austria* (i) Agreement as to Italian Reparation Payments (16 July 1920).

(ii) Declaration modifying above (16 July 1920).

(iii) Agreement *re* cost of Liberation of territory of old Austro-Hungarian Monarchy (16 July 1920).

(iv) Declaration modifying above (16 July 1920).

(d) *Poland and Czecho-Slovakia.* Teschen Agreement (28 July 1920).

(e) *Greece and Bulgaria.* Convention dealing with reciprocal emigration (9 Aug. 1920).

Ratification. Dates usually those of British ratification and of deposit or exchange of ratifications.

B 1. TREATIES SIGNED BUT NOT IN FORCE. (Dates are those of signature.)

- (a) *Germany.* Assistance to France in event of unprovoked aggression by Germany (28 June 1919).
- (b) *Hungary.* Treaty of Peace (4 June 1920).
- (c) *Rumania.* Bessarabian Treaty (28 Oct. 1920).
- (d) (e) *East European States.*
 - (d) Certain Frontiers' Treaty) 10 Aug. 1920.
 - (e) New States' Treaty

A 1. TREATIES IN FORCE.

(a) COVENANT OF LEAGUE OF NATIONS

Signed by all signatories of German Treaty (*v. next page*) except China, which signed and ratified the Covenant as contained in the Austrian Treaty and thus became a member of the League on 16 July 1920. As the United States and the Hedjaz and Ecuador have not ratified any Treaty they are not therefore members of the League. Germany is not a member.

The following States were invited to accede and acceded to the Covenant :¹

Argentine Republic	18 July 1919 (withdrew 4 Dec. 1920.).
Chile	4 Nov. 1919.
Columbia	16 Feb. 1920.
Denmark	8 March 1920.
Netherlands	9 March 1920.
Norway	5 March 1920.
Paraguay	26 Dec. 1919.
Persia	21 Nov. 1919.
San Salvador	10 March 1920.
Spain	10 Jan. 1920.
Sweden	9 March 1920.
Switzerland	8 March 1920.
Venezuela	3 March 1920.

THE COVENANT CAME INTO FORCE 10 Jan. 1920.

(For text, *v. Vol. III*, pp. 111-23.)

The following States have subsequently been admitted as members of the League :

Albania	17 Dec. 1920.
Austria	16 Dec. 1920.
Bulgaria	16 Dec. 1920.
Costa Rica	16 Dec. 1920.
Finland	16 Dec. 1920.
Luxemburg	16 Dec. 1920.

¹ List given in *League of Nations Official Journal*, July-Aug. 1920, p. 300.

TREATIES IN FORCE

A 1. THE THREE MAIN TREATIES IN FORCE

Signatory Powers.	(b) GERMANY. Signed at Versailles 28 June 1919. Date and deposit of ratification.	(c) AUSTRIA.* Signed at St. Germain- en-Laye 10 Sept. 1919. Date and deposit of ratification.	(d) BULGARIA. Signed at Neuilly on Seine 27 Nov. 1919. Date and deposit of ratification.
United States	Not ratified	Not ratified	Not ratified
Great Britain			
Canada			
Australia			
Union of S. Africa	10 Jan. 1920	{ 16 July 1920	9 Aug. 1920
New Zealand			
India			
France	10 Jan. 1920	16 July 1920	9 Aug. 1920
Italy	10 Jan. 1920	16 July 1920	9 Aug. 1920
Japan	10 Jan. 1920	14 Oct. 1920	Not yet (March 21) ratified
Belgium	10 Jan. 1920	24 July 1920	9 Aug. 1920
China	Not signed or ratified	16 July 1920	Not yet (March 21) ratified
Cuba	8 March 1920	16 Aug. 1920	Not yet (March 21) ratified
Greece	30 March 1920	16 Aug. 1920	4 Sept. 1920
Hedjaz	Not ratified	Not ratified	Not ratified
Poland	10 Jan. 1920	Feb. 1921.	{ Not yet (March 21) ratified
Portugal	8 April 1920		
Rumania	14 Sept. 1920	(Acceded 9 Dec. 1919)	(Acceded 9 Dec. 1919)
Serb-Croat-Slovene	10 Feb. 1920	4 Sept. 1920	4 Sept. 1920
Siam	10 Jan. 1920	(Acceded 5 Dec. 1919)	(Acceded 5 Dec. 1919)
Czecho-Slovakia	10 Jan. 1920	16 July 1920	16 Aug. 1920
		16 July 1920	9 Aug. 1920
		16 July 1920	(Ratified by Chamber 30 Jan. 1921)
AND GERMANY		AND AUSTRIA	AND BULGARIA
10 Jan. 1920		16 July 1920	9 Aug. 1920
CAME INTO FORCE		CAME INTO FORCE	CAME INTO FORCE
10 Jan. 1920		16 July 1920	9 Aug. 1920
(Text v. Vol. III, pp. 112-336)		(Text v. Vol. V, pp. 170 sqq.)	(Text v. Vol. V. pp. 805 sqq.)
British Ratification 8 Oct. 1919. Protocol also signed 28 June 1919		British ratification 30 April 1920	British ratification 30 April 1920

Following States also deposited ratifications for German Treaty at dates indicated: Bolivia, Brazil, Guatemala (10 Jan. 1920); Haiti (30 June 1920); Honduras (8 Nov. 1920); Liberia (30 June 1920) (with reservations as to Sec. 3, Part 10, and annex thereto re Debts); Nicaragua (8 Nov. 1920); Panama (25 Nov. 1920); Peru and Uruguay (10 Jan. 1920); Ecuador signed but did not ratify Treaty.

* Following States also signed Austrian Treaty: Panama and Nicaragua (also ratified).

Following instruments were all signed 10 Sept. 1919. IN FORCE 16 July 1920.

(i) Protocol.
(ii) Declaration.
(iii) Special Declaration re Prohibition of trade with Hungary.
(iv) Protocol of Signature.

(v) Reservation by Allies of rights on consequence of non-execution, etc., of Armistice.

Following instruments were all signed 27 Nov. 1919. IN FORCE 9 Aug. 1920.

(i) Protocol.
(ii) Reservation by Allies of rights belonging to them in consequence of non-execution or incomplete execution of Armistice clauses.

RATIFICATION. *The following applies to German, Austrian, Bulgarian, and Hungarian Treaties.*

A first *procès-verbal* of ratifications will be drawn up as soon as the Treaty has been ratified by Germany (or Austria or Bulgaria or Hungary) on the one hand and three of the Principal Allied and Associated Powers on the other hand. From the date of this *procès-verbal* the Treaty will come into force between the High Contracting Parties who have ratified it. For the determination of all periods of time provided for in the present Treaty this date will be the date of the coming into force of the Treaty.

A 1. THREE TREATIES CONNECTED WITH THE THREE MAIN TREATIES

(e) SLESVIG TREATY BETWEEN DENMARK, GERMANY, AND PRINCIPAL ALLIED POWERS.

Signed at Paris 5 July 1920.

Signatory Powers. Date and deposit of Ratifications.

(f) LITTLE ENTENTE BETWEEN CZECHO-SLOVAKIA AND SERB - CROAT - SLOVENE STATE.

Signed at Belgrade 14 Aug. 1920.

(g) RAPALLO TREATY BETWEEN ITALY AND SERB-CROAT-SLOVENE STATE.

Signed at Rapallo 12 Nov. 1920.

British Empire { Great Britain
Canada
Australia
Union of S.
Africa
New Zealand
India

France 15 Dec. 1920

Italy 15 Dec. 1920

Japan 15 Dec. 1920

AND GERMANY 15 Dec. 1920

AND DENMARK } 15 Dec. 1920

AND ICELAND }
CAME INTO FORCE 15 Dec. 1920

Ratifications exchanged
22 Sept. 1920

Ratifications exchanged
2 Feb. 1921

IN FORCE 22 Sept. 1920

On 16 Sept. 1920. Take Ionescu stated that 'with Rumania there is as yet only an Entente', but signed agreement with Czecho-Slovakia 28 Ap. 1921 and S.C.S. State 7 June 1921.

(Text v. Vol. IV, p. 519)

CAME INTO FORCE
2 Feb. 1921

(Text v. Vol. V, App. IV.)

(Text not published)

British ratification 15 Dec. 1920.
Ratification. Details not published, stated to be in force.

Ratification. Ratification is provided for in Treaty.

Ratification not provided for in Treaty. Recognized without reserve by British Government 14 Feb. 1921 (1921, Misc. no. 12, Cmd. 1238).

Anti-Habsburg Convention also signed.

A 1. TREATIES IN FORCE. THE FOUR MINORITIES TREATIES¹TREATY BETWEEN PRINCIPAL ALLIED
AND ASSOCIATED POWERS AND
(h) POLAND.

Signed at Versailles 28 June 1919.

MINORITIES TREATIES BETWEEN PRINCIPAL ALLIED AND
ASSOCIATED POWERS (ALL SIGNED AT ST. GERMAIN-EN-
LAYE 10 SEPT. 1919).AND (i) CZECHO-
SLOVAKIA.AND (k) SERB-
CROAT-SLOVENE
STATE.

AND (l) RUMANIA.

Signatory Powers.	Date and deposit of Ratification.	Date and deposit of Ratification.	Date and deposit of Ratification.	Date and deposit of Ratification.
United States	Not ratified	Not ratified	Not ratified	Not ratified
British Empire Great Britain Canada Australia Union of S. Africa New Zealand India	10 Jan. 1920	16 Aug. 1920	16 Aug. 1920	12 Jan. 1921
France	10 Jan. 1920	15 Dec. 1920	15 Dec. 1920	3 March 1921
Italy	10 Jan. 1920	14 Oct. 1920	14 Oct. 1920	14 Oct. 1920
Japan	10 Jan. 1920	14 Oct. 1920	14 Oct. 1920	14 Oct. 1920
AND POLAND	10 Jan. 1920	AND CZECHO- SLOVAKIA 16 July 1920	AND S.-C.-S. STATE by acces- sion 5 Dec. 1919	AND RUMANIA ratified
	CAME INTO FORCE 10 Jan. 1920 British ratifica- tion 8 Oct. 1919	CAME INTO FORCE end of 1920 British ratifica- tion 15 July 1920	CAME INTO FORCE end of 1920 British ratifica- tion 15 July 1920	CAME INTO FORCE end of 1920 British ratifica- tion 15 Dec. 1920

(NOTE.—It seems clear that these treaties did not come into force on 16 July 1920 at the time of the coming into force of the Austrian Treaty, but they were evidently in force by the end of 1920.)

Ratification. 'To be ratified': 'to come into force at the same time as the Treaty of Peace with Germany.'

The *Ratification* applies to all three Treaties. 'It (the present Treaty) shall come into force at the same time as the Treaty of Peace with Austria.' . . . 'The deposit of ratifications shall be made at Paris. . . . A *procès-verbal* of the deposit of ratifications will be drawn up. The French Government will transmit to all the Signatory Powers a certified copy of the *procès-verbal* of the deposit of ratifications.'

¹ The texts of all these four Treaties are to be found as follows: Poland, Vol. V, App. IV; Czecho-Slovakia, Vol. V, App. IV; Serb-Croat-Slovene, Vol. V, App. IV; Rumania, Vol. V, App. IV. The Minorities Treaty with Greece is not yet in force (for Text, v. Cmd. 960, Treaty Ser. 1920, No. 18).

A 2. AGREEMENTS, ETC., IN FORCE

(a) GENERAL

(i) *Convention for the Regulation of Aerial Navigation.*

Signed 13 Oct. 1919.

This Convention represents a text agreed to by all the Powers signing the German Treaty (*q.v.*), including the United States, but not including Haiti, Hedjaz, Honduras, Liberia, Nicaragua, who have not signed. Peru acceded 22 Jan. 1920.

(Text in Cmd. 670 (revised from Cmd. 266), Air Ministry 1920.)

Ratification required by Signatory Powers.

Ratified by Great Britain 11 April 1921.

(ii) *Six Draft Conventions and Six Recommendations adopted by Inter-*

national Labour Conference at Genoa. 15 June–10 July 1920.

Ratification. Each member of the League that ratifies is to bring them into operation not later than 1 July 1921.

Ratified by Greece 19 Nov. 1920.

(Text in Cmd. 627. League of Nations, 1920.)

(iii) *Conventions re Control of Trade in Arms, revising Act of Berlin 1885, Convention and Protocol on Liquor Traffic.*

(Arms, etc., ratified by Greece 24 Aug. 1920 and Siam 30 March 1921; Liquor, etc., by British Empire and Belgium 31 July 1920. v. also Vol. VI.)

(b) GERMANY

(i) *Military Occupation of Rhine.*

Signed at Versailles 28 June 1919.

Signatory Powers.	Date and deposit of ratifications.
United States	Did not ratify
Great Britain	
Canada	
Australia	
Union of S. Africa	} 10 Jan. 1920
New Zealand	
India	
France	10 Jan. 1920
Belgium	10 Jan. 1920
AND GERMANY	10 Jan. 1920
CAME INTO FORCE	10 Jan. 1920
(Text v. Vol. III, pp. 331–4.)	

(ii) *Settlement of matters arising under Art. 297 of Peace Treaty of Versailles (Property Rights and Interests) with protocol defining same.*

Signed at London 31 Dec. 1920.

Ratification. Needs ratification, but all provisions (except Art. 11) to be applied administratively before ratification.

(Text in Cmd. 1111. Treaty, Ser. No. 1, 1921.)

(c) AUSTRIA

(i) *Agreement with regard to Italian Reparation Payments* (signed by Powers signing Austrian Treaty, together with accessions on dates there indicated).

(ii) *Declaration modifying above* (signed as before).

(iii) *Agreement with regard to Cost of Liberation of Territory of old Austro-Hungarian Monarchy* (signed as before).

(iv) *Declaration modifying above* (not signed by Poland or Nicaragua. Rumania acceded (9 Dec. 1919), but the Serb-Croat-Slovene State did not).

(Texts of (i), (ii), (iii), and (iv), Vol. V, App. II.

CAME INTO FORCE 16 JULY 1920.

(d) POLAND AND CZECHO-SLOVAKIA

Teschen Agreement and Award.

(This agreement superseded the Resolution signed by the Five Principal Allied and Associated Powers in regard to the plebiscite in the Duchy of Teschen and the areas of Zips and Orava, at Paris 27 Sept. 1919, and followed on the Declaration (16 July 1920) by the two Governments concerned that they would accept the frontiers

of the above territories as determined by the above Principal Allied and Associated Powers. This decision was signed at Paris on the 28 July 1920 by Great Britain, France, Italy, and Japan, and on the same day representatives of Poland and Czecho-Slovakia signified their acceptance in writing. This agreement is apparently in force. It has been ratified by Czecho-Slovakia 28 Jan. 1921.

NOTE.—This agreement is embodied in the Certain Frontiers' Treaty (signed 10 Aug. 1920) which has not yet (January 1921) been signed by Poland.

(c) CONVENTION BETWEEN GREECE AND BULGARIA

deals with reciprocal emigration; to be ratified and to 'enter into force at the same time as the said Treaty (of Neuilly) shall enter into force as between Greece and Bulgaria'. CAME INTO FORCE 9 Aug. 1920.

(For text v. Cmd. 589, Misc. No. 3, 1920.)

B 1. TREATIES SIGNED BUT NOT IN FORCE¹

(a) GERMANY. ASSISTANCE TO
FRANCE IN THE EVENT OF
UNPROVOKED AGGRESSION
BY GERMANY.

Signed at Versailles 28 June 1919.

(i) TREATY BETWEEN FRANCE
AND GREAT BRITAIN.

(ii) TREATY BETWEEN FRANCE
AND UNITED STATES.

Ratifications. Great Britain ratified this Treaty 8 Oct. 1919 and France 8 Nov. 1919, ratifications being exchanged 20 Nov. 1919. But Treaty (i) only comes into force when the United States ratified (ii), which it has declined to do. Hence the Treaties are not in force, v. Vol. III, p. 388 n.

(Text of both Treaties in Vol. III, pp. 387–40.)

(b) HUNGARY.

Signed at Trianon 4 June 1920.

Date and deposit of
Ratification.

United States
Great Britain
Canada
Australia
Union of S.
Africa
New Zealand
India

France
Italy
Japan
Belgium
China

Cuba
Greece
Nicaragua
Panama
Poland
Portugal
Rumania

(Ratified Dec. 1920)

(4 Sept. 1920)

Serb-Croat-
Slovene State
Siam
Czecho-Slovakia

AND HUNGARY

(Ratified by Chamber
28 Jan. 1921)
Deposit ratification
6 Dec. 1920

Great Britain's ratification: 12 May 1921.
Also signed 4 June 1920:

(i) Protocol.

(ii) Declaration. Hungary to supply all possible information respecting vessels sunk or damaged by her naval forces.

Ratification. Conditions as in German, Austrian, and Bulgar Treaties, *q.v.*

(Text of Treaty, Vol. V, pp. 170 sqq.)

¹ Turkish Treaty and related Treaties and Agreements reserved for Vol. VI.

(c) Bessarabian Treaty. Signed at Paris 28 Oct. 1920.		(d) Treaty Relative to Certain Frontiers.	(e) New States Treaty. Signed at Sèvres, 10 Aug. 1920.
Signatory Powers.	Deposit of Ratifi- cation.	Signed at Sèvres, 10 Aug. 1920.	
United States	Did not sign	Did not ratify	Signatory Powers BETWEEN ITALY RUMANIA acceded 28 Oct. 1920 SERB-CROAT-SLOVENE STATE (not yet signed— March 21) CZECHO-SLOVAKIA POLAND <i>Ratification.</i> Stated to re- quire ratification and to come into force for each signatory Power from date of deposit of ratification.
Great Britain			
Canada			
Australia			
Union of S.	(1 Jan. 1921)		
Africa			
New Zealand		States as before	
India			
France			
Italy			
Japan (signed 30 Oct. 1920)			
AND RUMANIA		AND RUMANIA (acceded 28 Oct. 1920) SERB-CROAT-SLOVENE STATE (acceded 20 Dec. 1920) CZECHO-SLOVAKIA (rati- fied 1 Feb. 1921) POLAND (not yet signed —March 1921)	
<i>Ratification.</i> No details, but reported as coming into force with Rumanian Min- orities Treaty (q.v.), but only for those who have ratified.		<i>Ratification.</i> Stated to be necessary by three of the Principal and all the other signatory Powers. Treaty to come into force at the same time as the Austrian (in force 16 July 1920) and Hungarian Treaties are in force.	

TEXTS OF AUSTRIAN, HUNGARIAN AND BULGARIAN TREATIES

SCHEME OF ARRANGEMENT

Articles 1-26 and Annex (League of Nations) of the Austrian and Hungarian Treaties are identical with those of the German Treaty, which will be found in Volume III, pp. 111-28. The same applies to Labour Clauses (Arts. 332-72, Austria ; Arts. 315-55, Hungary ; v. Vol. III, pp. 314-27).

Except the Frontiers of Austria and Hungary (Austria, Arts. 27-35; Hungary, Arts. 27-35), which are given in large type and in full, in view of the importance of not misunderstanding them, the following arrangement has been adopted :

When the only difference is a change of names, e.g.

for Austria	read Hungary
„ Austrian	„ Hungarian
„ Austrian Empire	„ Kingdom of Hungary

the number of the equivalent Hungarian article is placed in brackets after the Austrian, e.g.

ARTICLE 193. (H. 177.)

Passages which are in heavy type occur in the Austrian but not in the Hungarian Treaty.

Passages which are bracketed and placed in italics occur in the Hungarian but not in the Austrian Treaty.

In the case of a wide divergence the whole Hungarian article is printed in italics underneath the Austrian.

The following examples will show the method pursued :

AUSTRIA

ART. 213. Austria undertakes to transfer to the Allied and Associated Powers all claims in favour of the former or existing Austrian Governments to payment or reparation by the Governments of Germany, Hungary, Bulgaria or Turkey, and in particular all claims which may arise now or hereafter in the fulfilment of undertakings made after July 28, 1914, until the coming into force of the present Treaty.

The value of such claims shall be assessed by the Reparation Commission, and shall be transferred to the Reparation Commission for the credit of Austria on account of the sums due for reparation.

HUNGARY

ART. 196. Hungary undertakes to transfer to the Allied and Associated Powers any claims to payment or reparation by Germany, Austria, Bulgaria or Turkey in favour of the former or existing Hungarian Governments, and in particular any claims which may arise now or hereafter in the fulfilment of undertakings made from July 28, 1914, to the coming into force of the present Treaty.

The value of such claims shall be assessed by the Reparation Commission, and shall be transferred to the Reparation Commission for the credit of Hungary on account of the sums due for reparation.

ARTICLE 213. (H. 196.)

Austria undertakes to transfer to the Allied and Associated Powers all (H. any) claims in favour of the former or existing Austrian Governments to payment or reparation by the Governments of Germany, Hungary (H. Austria), Bulgaria or Turkey, (H. in favour of the former or existing Hungarian Governments,) and in particular all (H. any) claims which may arise now or hereafter in the fulfilment of undertakings made after (H. from) July 28, 1914, until (H. to) the coming into force of the present Treaty.

The value of such claims shall be assessed by the Reparation Commission, and shall be transferred to the Reparation Commission for the credit of Austria on account of the sums due for reparation.

THE AUSTRIAN TREATY¹

Signed at Saint-Germain-en-Laye, September 10, 1919.

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¹ Treaty Series, No. 11, 1919. [Cmd. 400.]

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Treaty of Peace between the Allied and Associated Powers and Austria, together with the Protocol and Declarations annexed thereto.

Signed at Saint-Germain-en-Laye, September 10, 1919.

(*H. Signed at Trianon, June 4, 1920.*)

AUSTRIA

THE UNITED STATES OF AMERICA, THE BRITISH EMPIRE, FRANCE, ITALY and JAPAN.

These Powers being described in the present Treaty as the Principal Allied and Associated Powers ;

BELGIUM, CHINA, CUBA, GREECE, NICARAGUA, PANAMA, POLAND, PORTUGAL, ROMANIA, THE SERB-CROAT-SLOVENE STATE, SIAM, and CZECHO-SLOVAKIA,

These Powers constituting, with the Principal Powers mentioned above, the Allied and Associated Powers,

of the one part ;

And AUSTRIA,

of the other part ;

Whereas on the request of the former Imperial and Royal Austro-Hungarian Government an Armistice was granted to Austria-Hungary on November 3, 1918, by the Principal Allied and Associated Powers in order that a Treaty of Peace might be concluded, and

Whereas the Allied and Associated Powers are equally desirous that the war in which certain among them were successively involved, directly or indirectly, against Austria-Hungary, and which originated in the declaration of war against Serbia on July 28, 1914, by the former Imperial and Royal Austro-Hungarian Government, and in the hostilities conducted by Germany in alliance with Austria-Hungary, should be replaced by a firm, just, and durable Peace, and

HUNGARY

THE UNITED STATES OF AMERICA, THE BRITISH EMPIRE, FRANCE, ITALY and JAPAN,

These Powers being described in the present Treaty as the Principal Allied and Associated Powers,

BELGIUM, CHINA, CUBA, GREECE, NICARAGUA, PANAMA, POLAND, PORTUGAL, ROMANIA, THE SERB-CROAT-SLOVENE STATE, SIAM, and CZECHO-SLOVAKIA,

These Powers constituting with the Principal Powers mentioned above the Allied and Associated Powers,

of the one part ;

And HUNGARY,

of the other part ;

Whereas on the request of the former Imperial and Royal Austro-Hungarian Government an Armistice was granted to Austria-Hungary on November 3, 1918, by the Principal Allied and Associated Powers, and completed as regards Hungary by the Military Convention of November 13, 1918, in order that a Treaty of Peace might be concluded, and

Whereas the Allied and Associated Powers are equally desirous that the war in which certain among them were successively involved, directly or indirectly, against Austria-Hungary, and which originated in the declaration of war by the former Imperial and Royal Austro-Hungarian Government on July 28, 1914, against Serbia, and in the hostilities conducted by Germany in alliance with Austria-Hungary, should be replaced by a firm, just, and durable Peace, and

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Whereas the former Austro-Hungarian Monarchy has now ceased to exist, and has been replaced in Austria by a republican government, and

Whereas the Principal Allied and Associated Powers have already recognised that the Czecho-Slovak State, in which are incorporated certain portions of the said Monarchy, is a free, independent and allied State, and

Whereas the said Powers have also recognised the union of certain portions of the said Monarchy with the territory of the Kingdom of Serbia as a free, independent and allied State, under the name of the Serb-Croat-Slovene State, and

Whereas it is necessary, while restoring peace, to regulate the situation which has arisen from the dissolution of the said Monarchy and the formation of the said States, and to establish the government of these countries on a firm foundation of justice and equity ;

Whereas the former Austro-Hungarian Monarchy has now ceased to exist, and has been replaced in Hungary by a national Hungarian Government :

For this purpose the HIGH CONTRACTING PARTIES represented as follows (*H. have appointed as their Plenipotentiaries*) :

THE PRESIDENT OF THE UNITED STATES OF AMERICA, by :

The Honourable Frank Lyon Polk, Under Secretary of State ;

The Honourable Henry White, formerly Ambassador Extraordinary and Plenipotentiary of the United States at Rome and Paris ;

General Tasker H. Bliss, Military Representative of the United States on the Supreme War Council ;

(*H. Mr. Hugh Campbell Wallace, Ambassador Extraordinary and Plenipotentiary of the United States of America at Paris ;*)

HIS MAJESTY THE KING OF THE UNITED KINGDOM OF GREAT BRITAIN AND IRELAND AND OF THE BRITISH DOMINIONS BEYOND THE SEAS, EMPEROR OF INDIA, by :

The Right Honourable Arthur James Balfour, O.M., M.P., His Secretary of State for Foreign Affairs ;

The Right Honourable Andrew Bonar Law, M.P., His Lord Privy Seal ;

The Right Honourable Viscount Milner, G.C.B., G.C.M.G., His Secretary of State for the Colonies ;

The Right Honourable George Nicoll Barnes, M.P., Minister without portfolio ;

(*H. The Right Honourable Edward George Villiers, Earl of Derby, K.G., P.C., K.C.V.O., C.B., Ambassador Extraordinary and Plenipotentiary of His Britannic Majesty at Paris ;*)

And

for the DOMINION of CANADA, by :

The Honourable Sir Albert Edward Kemp, K.C.M.G., Minister of the Overseas Forces ;

(H. The Honourable Sir George Halsey Perley, K.C.M.G., High Commissioner for Canada in the United Kingdom ;)

for the COMMONWEALTH of AUSTRALIA, by :

The Honourable George Foster Pearce, Minister of Defence ;

(H. The Right Honourable Andrew Fisher, High Commissioner for Australia in the United Kingdom ;)

for the UNION of SOUTH AFRICA, by :

The Right Honourable Viscount Milner, G.C.B., G.C.M.G. ;

(H. Mr. Reginald Andrew Blankenberg, O.B.E., Acting High Commissioner for the Union of South Africa in the United Kingdom ;)

for the DOMINION OF NEW ZEALAND, by :

The Honourable Sir Thomas Mackenzie, K.C.M.G., High Commissioner for New Zealand in the United Kingdom ;

for INDIA, by :

The Right Honourable Baron Sinha, K.C., Under Secretary of State for India ;

(H. The Right Honourable Edward George Villiers, Earl of Derby, K.G., P.C., K.C.V.O., C.B., Ambassador Extraordinary and Plenipotentiary of His Britannic Majesty at Paris ;)

THE PRESIDENT OF THE FRENCH REPUBLIC, by :

Mr. Georges Clemenceau, President of the Council, Minister of War ;

Mr. Stephen Pichon, Minister for Foreign Affairs ;

Mr. Louis-Lucien Klotz, Minister of Finance ;

Mr. André Tardieu, Commissary General for Franco-American Military Affairs ;

Mr. Jules Cambon, Ambassador of France ;

(H. Mr. Alexandre Millerand, President of the Council, Minister for Foreign Affairs ;

Mr. Frederic François-marsal, Minister of Finance ;

Mr. Auguste Paul-Louis Isaac, Minister of Commerce and Industry ;

Mr. Georges Maurice Paléologue, Ambassador of France, Secretary-General of the Minister for Foreign Affairs ;)

HIS MAJESTY THE KING OF ITALY, by :

The Honourable Tommaso Tittoni, Senator of the Kingdom, Minister for Foreign Affairs ;

The Honourable Vittorio Scialoja, Senator of the Kingdom ;

The Honourable Maggiorino Ferraris, Senator of the Kingdom ;

The Honourable Guglielmo Marconi, Senator of the Kingdom ;

The Honourable Silvio Crespi, Deputy ;

(H. Count Lelio Bonin Longare, Senator of the Kingdom, Ambassador Extraordinary and Plenipotentiary of H.M. the King of Italy at Paris ;

Rear-Admiral Mario Grassi ;)

HIS MAJESTY THE EMPEROR OF JAPAN, by :

Viscount Chinda, Ambassador Extraordinary and Plenipotentiary of H.M. the Emperor of Japan at London ;

Mr. K. Matsui, Ambassador Extraordinary and Plenipotentiary of H.M. the Emperor of Japan at Paris ;

Mr. H. Ijuin, Ambassador Extraordinary and Plenipotentiary of H.M. the Emperor of Japan at Rome ;

HIS MAJESTY THE KING OF THE BELGIANS, by :

Mr. Paul Hymans, Minister for Foreign Affairs, Minister of State ;

Mr. Jules van den Heuvel, Envoy Extraordinary and Minister Plenipotentiary, Minister of State ;

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Mr. Emile Vandervelde, Minister of Justice, Minister of State ;
(*H. Mr. Rolin Jacquemyns, Member of the Institute of Private International Law, Secretary-General of the Belgian Delegation ;*)

THE PRESIDENT OF THE CHINESE REPUBLIC, by :

Mr. Lou Tseng-Tsiang, Minister for Foreign Affairs ;

Mr. Chengting Thomas Wang, formerly Minister of Agriculture and Commerce ;

(*H. Mr. Vikiuin Wellington Koo ;*

Mr. Sao-Ke Alfred Sze ;)

THE PRESIDENT OF THE CUBAN REPUBLIC, by :

Mr. Antonio Sanchez de Bustamante, Dean of the Faculty of Law in the University of Havana, President of the Cuban Society of International Law ;

(*H. Dr. Rafael Martinez Ortiz, Envoy Extraordinary and Minister Plenipotentiary of the Cuban Republic at Paris ;*)

HIS MAJESTY THE KING OF THE HELLENES, by :

Mr. Nicolas Politis, Minister for Foreign Affairs ;

Mr. Athos Romanos, Envoy Extraordinary and Minister Plenipotentiary to the French Republic (*H. of H.M. King of the Hellenes at Paris*) ;

THE PRESIDENT OF THE REPUBLIC OF NICARAGUA, by :

Mr. Salvador Chamorro, President of the Chamber of Deputies ;

(*H. Mr. Carlos A. Villanueva, Chargé d'Affaires of the Republic of Nicaragua at Paris ;*)

THE PRESIDENT OF THE REPUBLIC OF PANAMA, by :

Mr. Antonio Burgos, Envoy Extraordinary and Minister Plenipotentiary of Panama at Madrid ;

(*H. Mr. Raoul A. Amador, Chargé d'Affaires of the Republic of Panama at Paris ;*)

THE PRESIDENT OF THE POLISH REPUBLIC, by :

Mr. Ignace J. Paderewski, President of the Council of Ministers, Minister for Foreign Affairs ;

Mr. Roman Dmowski, President of the Polish National Committee ;

(*H. Prince Eustache Sapieha, Envoy Extraordinary and Minister Plenipotentiary of the Polish Republic at London ;*

Mr. Erasme Piltz, Envoy Extraordinary and Minister Plenipotentiary of the Polish Republic at Prague ;)

THE PRESIDENT OF THE PORTUGUESE REPUBLIC, by :

Dr. Affonso da Costa, formerly President of the Council of Ministers ;

Dr. Augusto Luiz Vieira Soares, formerly Minister for Foreign Affairs ;

(*H. Mr. João Chagas, Envoy Extraordinary and Minister Plenipotentiary of the Portuguese Republic at Paris ;*)

HIS MAJESTY THE KING OF ROUMANIA, by :

M. Nicolas Misu, Envoy Extraordinary and Minister Plenipotentiary of Roumania at London ;

Dr. Alexander Valda-Voevod, Minister without portfolio ;

(*H. Dr. Jon Cantacuzino, Minister of State ;*

Mr. Nicolae Titulescu, formerly Minister Secretary of State ;)

HIS MAJESTY THE KING OF THE SERBS, THE CROATS, AND THE SLOVENES, by :

Mr. Nicolas P. Pachitch, formerly President of the Council of Ministers ;

Mr. Ante Trumbic, Minister for Foreign Affairs ;

Mr. Ivan Zolger, Doctor of Law ;

HIS MAJESTY THE KING OF SIAM, by :

His Highness Prince Charoon, Envoy Extraordinary and Minister Plenipotentiary of H.M. the King of Siam at Paris ;

His Serene Highness Prince Traidos Prabandhu, Under Secretary of State for Foreign Affairs ;

THE PRESIDENT OF THE CZECHO-SLOVAK REPUBLIC, by :

Mr. Karel Kramář, President of the Council of Ministers ;

Mr. Eduard Benés, Minister for Foreign Affairs ;

(H. Mr. Stephen Osusky, Envoy Extraordinary and Minister Plenipotentiary of the Czecho-Slovak Republic at London ;))

THE REPUBLIC OF AUSTRIA, by :

Mr. Charles Renner, Chancellor of the Republic of Austria ;

(H. HUNGARY :

Mr. Gaston de Bénard, Minister of Labour and Public Welfare ;

Mr. Alfred Drasche-Lazar de Thorda, Envoy Extraordinary and Minister Plenipotentiary ;))

WHO, having communicated their full powers, found in good and true (H. due) form, have AGREED AS FOLLOWS :

From the coming into force of the present Treaty the state of war will terminate.

From that moment, and subject to the provisions of the present Treaty, official relations will exist between the Allied and Associated Powers and the Republic of Austria (H. Hungary).

PART I. THE COVENANT OF THE LEAGUE OF NATIONS

(v. Vol. III, pp. 111-23)

PART II.—FRONTIERS OF AUSTRIA ¹

ARTICLE 27.

The frontiers of Austria shall be fixed as follows (see annexed Map) :

1. *With Switzerland and Lichtenstein :*

the present frontier.

2. *With Italy :*

From the point 2645 (Gruben J.) eastwards to point 2015 (Klopaier Spitz),

a line to be fixed on the ground passing through point 1488 on the Reschen-Nauders road ;

thence eastwards to the summit of Dreiherrn Spitz (point 8505),

the watershed between the basins of the Inn to the north and the Adige to the south ;

thence generally south-south-eastwards to point 2545 (Marchkinkele),

the watershed between the basins of the Drave to the east and the Adige to the west ;

thence south-eastwards to point 2488 (Helm Spitz).

¹ As stated in scheme of arrangement the frontiers of Austria and Hungary are printed in full and in large type. The special method adopted begins at Austria, Art. 36. p. 189.

a line to be fixed on the ground crossing the Drave between Winnbach and Arnbach ;

thence east-south-eastwards to point 2050 (Osternig) about 9 kilometres north-west of Tarvis,

the watershed between the basins of the Drave on the north and successively the basins of the Sextenbach, the Piave and the Tagliamento on the south ;

thence east-south-eastwards to point 1492 (about 2 kilometres west of Thörl),

the watershed between the Gail and the Gailitz ;

thence eastwards to point 1509 (Pec),

a line to be fixed on the ground cutting the Gailitz south of the town and station of Thörl and passing through point 1270 (Cabin Berg).

8. *On the South, and then with the Klagenfurt area* subject to the provisions of Section II of Part III (Political Clauses for Europe) :

from point 1509 (Pec) eastwards to point 1817 (Malestiger),

the crest of the Karavanken ;

from point 1817 (Malestiger) and in a north-easterly direction as far as the Drave at a point situated about 1 kilometre south-east of the railway bridge on the eastern branch of the bend made by that river about 6 kilometres east of Villach,

a line to be fixed on the ground cutting the railway between Mallestig and Faak and passing through point 666 (Polana) ;

thence in a south-easterly direction to a point about 2 kilometres above St. Martin,

the course of the Drave ;

thence in a northerly direction as far as point 871, about 10 kilometres to the east-north-east of Villach,

a line running approximately from south to north to be fixed on the ground ;

thence east-north-eastwards to a point to be chosen near point 725 about 10 kilometres north-west of Klagenfurt on the administrative boundary between the districts of St. Veit and Klagenfurt,

a line to be fixed on the ground passing through points 1069 (Taubenbühel), 1045 (Gallinberg), and 815 (Freudenberg) ;

thence eastwards to a point to be chosen on the ground west of point 1075 (Steinbruch Kogel),

the administrative boundary between the districts of St. Veit and Klagenfurt ;

thence north-eastwards to the point on the Gurk where the administrative boundary of the district of Völkermarkt leaves that river,

a line to be fixed on the ground passing through point 1076 ;

thence north-eastwards to point 1899 (Speikkogel),

the administrative boundary between the districts of St. Veit and Völkermarkt ;

thence south-eastwards to point 842 (1 kilometre west of Kasparstein),

the north-eastern boundary of the district of Völkermarkt ;

thence eastwards to point 1522 (Hühner Kogel),

a line to be fixed on the ground passing north of Lavamünd.

4. *With the Serb-Croat-Slovene State*, subject to the provisions of Section II of Part III (Political Clauses for Europe):

From point 1522 (Hühner Kogel) eastwards to point 917 (St. Lorenzen),

a line to be fixed on the ground passing through point 1380;

thence eastwards to the point where it meets the administrative boundary between the districts of Marburg and Leibnitz,

the watershed between the basins of the Drave to the south and the Saggau to the north;

thence north-eastwards to the point where this administrative boundary meets the Mur,

the above-mentioned administrative boundary;

thence to the point where it meets the old frontier of 1867 between Austria and Hungary about 5 kilometres south-east of Radkersburg,

the principal course of the Mur downstream;

thence northwards to a point to be fixed east of point 400 about 16 kilometres north of Radkersburg,

the old frontier of 1867 between Austria and Hungary;

thence north-eastwards to a point to be fixed on the watershed between the basins of the Raab and the Mur about 2 kilometres east of Toka, being the point common to the three frontiers of Austria, Hungary, and the Serb-Croat-Slovene State,

a line to be fixed on the ground, passing between the villages of Bonisfalva and Gedoudvar.

5. *With Hungary:*

From the point above defined north-eastwards to point 353 about 6 kilometres north-north-east of Szentgotthard,

a line to be fixed on the ground passing through point 353 (Janke B.), then west of the Radkersburg-Szentgotthard road and east of the villages of Nagyfalva, Nemetlak and Rabakresztur;

thence in a general north-easterly direction to point 234 about 7 kilometres north-north-east of Pinkamindszent,

a line to be fixed on the ground passing through point 322 (Hochkogel), then south of the villages of Zsamand, Nemetbükkös and Karacsfa, and between Nagysaroslak and Pinkamindszent;

thence northwards to point 883 (Trött Kö) about 9 kilometres south-west of Kőszeg,

a line to be fixed on the ground passing through points 241, 260 and 273, then east of Nagynarda and Rohoncz and west of Dozmat and Butsching;

thence north-eastwards to point 265 (Kamenje) about 2 kilometres south-east of Nikitsch,

a line to be fixed on the ground, passing south-east of Liebing, Olmod and Locsmand, and north-west of Kőszeg and the road from Kőszeg to Salamonfa;

thence northwards to a point to be selected on the southern shore of Neusiedler See between Holling and Hidegseg,

a line to be fixed on the ground, passing east of Nikitsch and Zinkendorf and west of Kövesd and Nemet-Pereszteg;

thence eastwards to point 115 situated about 8 kilometres south-west of St. Johann,

a line to be fixed on the ground, crossing the Neusiedler See, passing south of the island containing point 117, leaving in Hungary the branch railway running north-westwards from the station of Mexiko as well as the entire Einser canal, and passing south of Pamhagen ;

thence northwards to a point to be selected about 1 kilometre west of Antonienhof (east of Kittsee), being the point common to the three frontiers of Austria, Hungary and the Czecho-Slovak State,

a line to be fixed on the ground, leaving entirely in Hungarian territory the Csorna-Karlbürg railway and passing west of Wüst-Sommerein and Kr. Jahrndorf, and east of Andau, Nikelsdorf, D. Jahrndorf and Kittsee.

6. With the Czecho-Slovak State :

From the point above defined north-westwards to the bend of the old frontier of 1867 between Austria and Hungary about 2½ kilometres north-east of Berg,

a line to be fixed on the ground, cutting the Kittsee-Pressburg road about 2 kilometres north of Kittsee ;

thence northwards to a point to be selected on the principal channel of navigation of the Danube about 4½ kilometres upstream from the Pressburg bridge,

a line to be fixed on the ground following as much as possible the old frontier of 1867 between Austria and Hungary ;

thence westwards to the confluence of the Morava (March) with the Danube,

the principal channel of navigation of the Danube ;

thence the course of the Morava upstream, then the course of the Thaya upstream to a point to be selected about 2 kilometres south-east of the intersection of the Rabensburg-Themenau road with the Rabensburg-Ludenburg railway ;

thence west-north-westwards to a point on the old administrative boundary between Lower Austria and Moravia situated about 400 metres south of the point where this boundary cuts the Nikolsburg-Feldsberg railway,

a line to be fixed on the ground passing through points 187 (Dlouhyvřch), 221 (Rosenbergen), 223 (Wolfsberg), 291 (Raistenberg), 249 and 279 (Kallerhaide) ;

thence west-north-westwards the above-mentioned administrative boundary ;

thence westwards to a point to be selected about 3 kilometres east of the village of Franzensthal,

the old administrative boundary between Lower Austria and Bohemia ;

thence southwards to point 498 (Gelsenberg) about 5 kilometres north-north-west of Gmünd,

a line to be fixed on the ground passing east of the Rottenschachen-Zuggers road and through points 537 and 522 (G. Nagel B.) ;

thence southwards and then west-north-westwards to a point on the old administrative boundary between Lower Austria and Bohemia situated about 200 metres north of the point where it cuts the Gratzen-Weitra road,

a line to be fixed on the ground passing between Zuggers and Breitensee, then through the most south-easterly point of the railway bridge over the Lainsitz leaving to Austria the town of Gmünd and to the Czecho-Slovak State the station and railway works of Gmünd (Wolfs-hof) and the junctions of the Gmünd-Budweis and Gmünd-Wittingau railways, then passing through points 524 (Grundbühel), 577 (north of Hohenberg) and 681 (Lagerberg);

thence south-westwards the above-mentioned administrative boundary;

then north-westwards the old administrative boundary between Bohemia and Upper Austria to its point of junction with the frontier of Germany.

7. With Germany.

The frontier of August 3, 1914.

ARTICLE 28.

The frontiers described by the present Treaty are traced, for such parts as are defined, on the one in a million map attached to the present Treaty. In case of differences between the text and the map, the text will prevail.

ARTICLE 29.

Boundary Commissions, whose composition is fixed by the present Treaty, or will be fixed by a Treaty between the Principal Allied and Associated Powers and the, or any, interested States, will have to trace these frontiers on the ground.

They shall have the power, not only of fixing those portions which are defined as 'a line to be fixed on the ground', but also, where a request to that effect is made by one of the States concerned, and the Commission is satisfied that it is desirable to do so, of revising portions defined by administrative boundaries; this shall not, however, apply in the case of international boundaries existing in August 1914, where the task of the Commissions will be confined to the re-establishment of sign-posts and boundary-marks. They shall endeavour in both cases to follow as nearly as possible the descriptions given in the Treaties, taking into account as far as possible administrative boundaries and local economic interests.

The decisions of the Commissions will be taken by a majority, and shall be binding on the parties concerned.

The expenses of the Boundary Commissions will be borne in equal shares by the two States concerned.

ARTICLE 30.

In so far as frontiers defined by a waterway are concerned, the phrases 'course' or 'channel' used in the descriptions of the present Treaty signify, as regards non-navigable rivers, the median line of the waterway or of its principal branch, and, as regards navigable rivers, the median line of the principal channel of navigation. It will, however, rest with the Boundary Commissions provided for by the present Treaty to specify whether the frontier line shall follow any changes of the course or channel which may take place, or whether it shall be definitely fixed by the position of the course or channel at the time when the present Treaty comes into force.

ARTICLE 31.

The various States interested undertake to furnish to the Commissions all documents necessary for their tasks, especially authentic copies of agreements fixing existing or old frontiers, all large scale maps in existence,

geodetic data, surveys completed but unpublished, and information concerning the changes of frontier watercourses.

They also undertake to instruct the local authorities to communicate to the Commissions all documents, especially plans, cadastral and land books, and to furnish on demand all details regarding property, local economic relations, and other necessary information.

ARTICLE 32.

The various States interested undertake to give assistance to the Boundary Commissions, whether directly or through local authorities, in everything that concerns transport, accommodation, labour, material (sign-posts, boundary pillars) necessary for the accomplishment of their mission.

ARTICLE 33.

The various States interested undertake to safeguard the trigonometrical points, signals, posts or frontier marks erected by the Commission.

ARTICLE 34.

The pillars will be placed so as to be intervisible ; they will be numbered, and their position and their number will be noted on a cartographic document.

ARTICLE 35.

The protocols defining the boundary, and the maps and documents attached thereto will be made out in triplicate, of which two copies will be forwarded to the Governments of the limitrophe States and the third to the Government of the French Republic, which will deliver authentic copies to the Powers signatories of the present Treaty.

PART II.—FRONTIERS OF HUNGARY

ARTICLE 27.

The frontiers of Hungary shall be fixed as follows (see annexed Map) :

1. *With Austria :*

From the point common to the three frontiers of Austria, Hungary and Czecho-Slovakia, this point to be selected on the ground about 1 kilometre west of Antonienhof (east of Kittsee), southwards to point 115 situated about 8 kilometres south-west of St. Johann,

a line to be fixed on the ground, leaving entirely in Hungarian territory the Karlburg—Csorna railway and passing west of Kr. Jahrdorf and Wüst-Sommerein, and east of Kittsee, D. Jahrdorf, Nickelsdorf and Andau ;

thence westwards to a point to be selected on the southern shore of Neusiedler See between Holling and Hidegseg,

a line to be fixed on the ground passing south of Pamhagen, leaving in Hungarian territory the entire Einser canal as well as the branch railway running north-westwards from the station of Mexiko, and then crossing Neusiedler See keeping to the south of the island containing point 117 ;

thence southwards to point 265 (Kamenje) about 2 kilometres south-east of Nikitsch,

a line to be fixed on the ground passing east of Zinkendorf and Nikitsch and west of Nemet Peresztég and Kövesd ;

thence south-westwards to point 888 (Trott Kö) about 9 kilometres south-west of Kőszeg,

a line to be fixed on the ground passing south-east of Locsmand, Olmod and Liebing, and north-west of Kőszeg and the road from Kőszeg to Salamonfa ;

thence southwards to point 284 about 7 kilometres north-north-east of Pinkaminszent,

a line to be fixed on the ground passing east of Rohonecz and Nagynarda and west of Butsching and Dozmat, then through points 278, 260 and 241 ;

thence in a general south-westerly direction to point 858 about 6 kilometres north-north-east of Szt Gotthard,

a line to be fixed on the ground passing between Nagysaroslak and Pinkaminszent, then south of Karacsfa, Nemetbükkös and Zsamand and through point 828 (Hochkogel) ;

thence south-westwards to a point to be selected on the watershed between the basins of the Raba (Raab) and the Mur about 2 kilometres east of Toka, this point being the point common to the three frontiers of Austria, Hungary and the Serb-Croat-Slovene State,

a line to be fixed on the ground passing east of Rabakeresztur, Nemetlak and Nagyfalva, west of the Radkersburg-Szt Gotthard road and through point 858 (Janke B.).

2. *With the Serb-Croat-Slovene State :*

From the point defined above in an easterly direction to point 818 about 10 kilometres south of Szt Gotthard,

a line to be fixed on the ground following generally the watershed between the basins of the Raba on the north and of the Mur on the south ;

thence in a southerly direction to point 295 about 16 kilometres north-east of Muraszombat,

a line to be fixed on the ground passing east of Nagydolany, Orihodos with its railway station, Kapornak, Domonkosfa and Kisszerdahely, and west of Kotormany and Szomorocz, and through points 819 and 291 ;

thence in a south-easterly direction to point 209 about 8 kilometres west of Nemesnep,

a line to be fixed on the ground following generally the watershed between the Nemesnepi on the north and the Kebele on the south ;

thence in a south-south-easterly direction to a point to be chosen on the Lendva south of point 265,

a line to be fixed on the ground passing to the east of Kebeleszentmarton, Zsitkőcz, Gönterhaza, Hidveg, Csente, Pincze and to the west of Lendva-jakabfa, Bödehaza, Gaborjanhaza, Dedes, Lendva-Ujfalu ;

thence in a south-easterly direction,

the course of the Lendva downstream ;

then the course of the Mur downstream ;

then to its junction with the old boundary between Hungary and Croatia-Slavonia, about $1\frac{1}{2}$ kilometres above the Gyekenyes-Koproncza railway bridge,

the course of the Drau (Drave) downstream ;

thence south-eastwards to a point to be chosen about 9 kilometres east of Miholjacdolnji,

the old administrative boundary between Hungary and Croatia-Slavonia, modified, however, so as to leave the Gyekenyes-Barcs railway, together with the station of Gola, entirely in Hungarian territory ;

thence in an easterly direction to point 98 about 3 kilometres south-west of Baranyavar,

a line to be fixed on the ground passing north of Torjancz, Löcs and Benge and south of Kassad, Beremend with its railway station and Illocska ;

thence in a north-easterly direction to a point to be chosen in the course of the Danube about 8 kilometres north of point 169 (Kisköszeg),

a line to be fixed on the ground passing to the west of Baranyavar, Föherczeglak (leaving to the Serb-Croat-Slovene State the railway joining these two places at the junction immediately to the north of Baranyavar) and Dalyok, and to the east of Ivan-Darda, Sarok, Udvar and Izabellaföld (with its railway) ;

thence east-north-eastwards to a point in the course of the Kigyos about 8 kilometres east-south-east of Bacsmadaras Station,

a line to be fixed on the ground passing between Herczegszanto and Bereg, and then approximately following the course of the Kigyos, but curving to the north of Rigyicza ;

thence east-north-eastwards to a point to be selected on the backwater of the Tisza (Theiss) about 5½ kilometres east-north-east of Horgos Station,

a line to be fixed on the ground passing south of Kun-Baja, cutting the Szabadka-Bácsalmás railway about 1½ kilometres east of Csikéria Station, cutting the Szabadka-Kiskunhalas railway about 3 kilometres south of Kelebia Station, and passing north of Horgos and its station, and south of Rőszkeszentmihálytelek ;

thence in a south-easterly direction to the Tisza,

the median line of the backwater ;

thence to a point to be selected about 5 kilometres upstream,

the course of the Tisza ;

thence in a general easterly direction to a point to be selected on the ground about 4 kilometres south-west of Kiszombor Station, approximately east-south-east of point 84 and south-south-west of point 88, this point being the point common to the three frontiers of Roumania, Hungary, and the Serb-Croat-Slovene State,

a line to be fixed on the ground passing between Gyala and Oszen-tivan and between Obeb and Kübekhaza.

8. *With Roumania :*

From the point defined above east-north-eastwards to a point to be selected on the Maros about 8½ kilometres upstream from the railway bridge between Mako and Szeged,

a line to be fixed on the ground ;

thence south-eastwards, and then north-eastwards to a point to be selected about 1 kilometre south of Nagylak station,

the course of the river Maros upstream ;

thence north-eastwards to the salient of the administrative boundary between the *comitats* of Csanad and Arad north-north-west of Nemetpereg,

a line to be fixed on the ground passing between Nagylak and the railway station ;

thence east-north-eastwards to a point to be selected on the ground between Battonya and Torna,

this administrative boundary, passing north of Nemetpereg and Kispereg ;

thence to point 128 (about 1·2 kilometres east of Magosliget), the point common to the three frontiers of Hungary, Roumania and Czechoslovakia (Ruthenian territory),

a line to be fixed on the ground passing west of Nagyvarjas, Kisvarjas and Nagyiratos, east of Dombegyhaz, Kevermes and Elek, west of Ottlaka, Nagy-Pel, Gyula-Varsand, Ant and Illye, east of Gyula, Gyula-Vari and Kötégán, cutting the Nagyszalonta-Gyula railway about 12 kilometres south-west of Nagyszalonta and between the two bifurcations formed by the crossing of this line and the Szeghalom-Erdőgyarak railway ; passing east of Mehkerék, west of Nagyszalonta and Marczihaza, east of Geszt, west of Atyas, Olah-Szt-Miklos and Rojt, east of Ugra and Harsány, west of Körösszeg and Körös-Tarjan, east of Szakal and Berek-Böszörmény, west of Bors, east of Artand, west of Nagy-Szanto, east of Nagy-Kereki, west of Pelbarthida and Bihardioszeg, east of Kis-Marja, west of Csokaly, east of Nagyleta and Almosd, west of Er-Selind, east of Bagamer, west of Er-Kenez and Ermihalyfalva, east of Szt-György-Abrany and Penezlek, west of Szaniszló, Bere-Csomaköz, Feny, Csanalos, Börvely and Domahida, east of Vallaj, west of Csenger-Bagos and Ovari, east of Csenger-Ujfalu, west of Dara, east of Csenger and Komlód-Totfalu, west of Petc, east of Nagy-Gecz, west of Szaraz-Berek, east of Mehtelek, Garbolcz and Nagy-Hodos, west of Fertös-Almas, east of Kis-Hodos, west of Nagy-Palad, east of Kis-Palad and Magosliget.

4. *With Czechoslovakia :*

From point 128 described above north-westwards to a point to be selected on the course of the Batar about 1 kilometre east of Magosliget,

a line to be fixed on the ground ;

thence the course of the Batar downstream ;

then to a point to be selected on it below Badalo and near this village, the course of the Tisza downstream ;

thence north-north-westwards to a point to be selected on the ground north-east of Darocz,

a line to be fixed on the ground leaving in the Ruthenian territory of Czechoslovakia Badalo, Csoma, Macsola, Asztely and Deda, and in Hungarian territory Bereg-Surany and Darocz ;

thence north-westwards to the confluence of the Fekete-Víz and the Csaronda,

a line to be fixed on the ground passing through point 179, leaving in Ruthenian territory Mező Kaszony, Lonyay Tn., Degenfeld Tn., Heteny, Horvathi Tn., Komjathy Tn., and in Hungarian territory Kerek Gorond Tn., Berki Tn. and Barabas ;

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thence to a point to be selected in its course above the administrative boundary between the *comitats* of Szabolcs and Bereg,

the course of the Csaronda downstream ;

thence westwards to the point where the above-mentioned boundary coming from the right bank cuts the course of the Tisza,

a line to be fixed on the ground ;

thence to a point to be selected on the ground east-south-east of Tarkany,

the course of the Tisza downstream ;

thence approximately westwards to a point in the Ronyva about 8.7 kilometres north of the bridge between the town and the station of Satoralja-Ujhely,

a line to be fixed on the ground leaving to Czecho-Slovakia Tarkany, Perbenyik, Orös, Kis-Kövesd, Bodrog-Szerdahely, Bodrog-Szog, and Borsi, and to Hungary Damoc, Laca, Rozvagy, Pacin, Karos, Felső-Berecki, crossing the Bodrog and cutting the railway triangle south-east of Satoralja-Ujhely, passing east of this town so as to leave the Kassa-Csap railway entirely in Czecho-Slovak territory ;

thence to a point near point 125 about 1½ kilometres south of Alsomihalyi,

the course of the Ronyva upstream ;

thence north-westwards to a point on the Hernad opposite point 167 on the right bank south-west of Abaujnadasd,

a line to be fixed on the ground following approximately the watershed between the basins of the Ronyva on the east and the Bozsva on the west, but passing about 2 kilometres east of Pusztafalu, turning south-westwards at point 896, cutting at point 424 the Kassa-Satoralja road and passing south of Abaujnadasd ;

thence to a point to be selected on the ground about 1½ kilometres south-west of Abaujvar,

the course of the Hernad downstream ;

thence westwards to point 380 about 1½ kilometres south-south-west of Pereny,

a line to be fixed on the ground leaving to Czecho-Slovakia the villages of Míglecznemeti and Pereny, and to Hungary the village of Tornyosnemeti ;

thence westwards to point 291 about 3½ kilometres south-east of Janok,

the watershed between the basins of the Bodva on the north and the Rakacza on the south, but leaving in Hungarian territory the road on the crest south-east of Buzita ;

thence west-north-westwards to point 431 about 3 kilometres south-west of Torna,

a line to be fixed on the ground leaving to Czecho-Slovakia Janok, Tornahorvati and Bodvavendegi, and to Hungary Tornaszentjakab and Hidvegardo ;

thence south-westwards to point 365 about 12 kilometres south-south-east of Pelsőcz,

a line to be fixed on the ground passing through points 601, 381 (on the Rozsnyo-Edeleny road), 557 and 502 ;

thence south-south-westwards to point 305 about 7 kilometres north-west of Putnok,

the watershed between the basins of the Sajo on the west and the Szuha and Kelemeri on the east ;

thence south-south-westwards to point 278 south of the confluence of the Sajo and the Rima,

a line to be fixed on the ground, leaving Banreve station to Hungary while permitting, if required, the construction in Czecho-Slovak territory of a connexion between the Pelsöcz and Losoncz railway lines ;

thence south-westwards to point 485 about 10 kilometres east-north-east of Salgo tarjan,

a line to be fixed on the ground following approximately the watershed between the basins of the Rima to the north and the Hangony and Tarna rivers to the south ;

thence west-north-westwards to point 727,

a line to be fixed on the ground leaving to Hungary the villages and mines of Zagyva-Rona and Salgo, and passing south of Somos-Ujfalú station ;

thence north-westwards to point 391 about 7 kilometres east of Litke,

a line following approximately the crest bounding on the north-east the basin of the Dobroda and passing through point 446 ;

thence north-westwards to a point to be selected on the course of the Eipel (Ipoly) about $1\frac{1}{2}$ kilometres north-east of Tarnocz,

a line to be fixed on the ground passing through point 312 and between Tarnocz and Kalonda ;

thence south-westwards to a point to be selected in the bend of the Eipel about 1 kilometre south of Tescmag,

the course of the Eipel downstream ;

thence westwards to a point to be selected on the course of the Eipel about 1 kilometre west of Tesa,

a line to be fixed on the ground so as to pass south of the station of Ipolysag and to leave entirely in Czecho-Slovak territory the railway from Ipolysag to Csata together with the branch line to Korpona (Karpfen), but leaving Berneceze and Tesa to Hungary ;

thence southwards to its confluence with the Danube,

the course of the Eipel downstream ;

thence to a point to be selected about 2 kilometres east of Antonienhof (east of Kittsee),

the principal channel of navigation of the Danube upstream ;

thence westwards to a point to be selected on the ground about 1 kilometre west of Antonienhof (east of Kittsee), this point being the point common to the three frontiers of Austria, Hungary and Czecho-Slovakia,

a line to be fixed on the ground.

ARTICLE 28.

The frontiers described by the present Treaty are traced, for such parts as are defined, on the one in a million map attached to the present Treaty. In case of differences between the text and the map, the text will prevail.

ARTICLE 29.

Boundary Commissions, whose composition is or will be fixed in the present Treaty or in any other Treaty between the Principal Allied and Associated Powers and the, or any, interested States, will have to trace these frontiers on the ground.

They shall have the power, not only of fixing those portions which are defined as 'a line to be fixed on the ground', but also, where a request to that effect is made by one of the States concerned, and the Commission is satisfied that it is desirable to do so, of revising portions defined by administrative boundaries; this shall not however apply in the case of international frontiers existing in August, 1914, where the task of the Commission will confine itself to the re-establishment of sign-posts and boundary-marks. They shall endeavour in both cases to follow as nearly as possible the descriptions given in the Treaties, taking into account as far as possible administrative boundaries and local economic interests.

The decisions of the Commissions will be taken by a majority, and shall be binding on the parties concerned.

The expenses of the Boundary Commissions will be borne in equal shares by the two States concerned.

ARTICLE 30.

In so far as frontiers defined by a waterway are concerned, the phrases 'course' or 'channel' used in the descriptions of the present Treaty signify, as regards non-navigable rivers, the median line of the waterway or of its principal branch, and, as regards navigable rivers, the median line of the principal channel of navigation. It will rest with the Boundary Commissions provided for by the present Treaty to specify whether the frontier line shall follow any changes of the course or channel which may take place, or whether it shall be definitely fixed by the position of the course or channel at the time when the present Treaty comes into force.

ARTICLE 31.

The various States interested undertake to furnish to the Commissions all documents necessary for their tasks, especially authentic copies of agreements fixing existing or old frontiers, all large scale maps in existence, geodetic data, surveys completed but unpublished, and information concerning the changes of frontier watercourses.

They also undertake to instruct the local authorities to communicate to the Commissions all documents, especially plans, cadastral and land books, and to furnish on demand all details regarding property, existing economic conditions, and other necessary information.

ARTICLE 32.

The various States interested undertake to give every assistance to the Boundary Commissions, whether directly or through local authorities, in everything that concerns transport, accommodation, labour, material (sign-posts, boundary pillars) necessary for the accomplishment of their mission.

ARTICLE 33.

The various States interested undertake to safeguard the trigonometrical points, signals, posts or frontier marks erected by the Commission.

ARTICLE 34.

The pillars will be placed so as to be intervisible; they will be numbered, and their position and their number will be noted on a cartographic document.

ARTICLE 35.

The protocols defining the boundary and the maps and documents attached thereto will be made out in triplicate, of which two copies will be forwarded to the Governments of the limitrophe States and the third to the Government of the French Republic, which will deliver authentic copies to the Powers who sign the present Treaty.

PART III.—POLITICAL CLAUSES FOR EUROPE¹

SECTION I.—ITALY.

ARTICLE 36. (*For H. 36 see below.*)

Austria renounces, so far as she is concerned, in favour of Italy all rights and title over the territory of the former Austro-Hungarian Monarchy situated beyond the frontiers of Austria laid down in Article 27, 2, Part II (Frontiers of Austria), and lying between those frontiers, the former Austro-Hungarian frontier, the Adriatic Sea, and the eastern frontier of Italy as subsequently determined.

Austria similarly renounces, so far as she is concerned, in favour of Italy all rights and title over other territory of the former Austro-Hungarian Monarchy which may be recognised as forming part of Italy by any treaties which may be concluded for the purpose of completing the present settlement.

A Commission composed of five members, one nominated by Italy, three by the other Principal Allied and Associated Powers, and one by Austria, shall be constituted within fifteen days from the coming into force of the present Treaty, to trace on the spot the frontier line between Italy and Austria.

The decisions of the Commission will be taken by a majority and shall be binding on the parties concerned.

(*H. Article 36.*)

Hungary renounces so far as she is concerned in favour of Italy all rights and title which she could claim over the territories of the former Austro-Hungarian Monarchy recognised as forming part of Italy in accordance with the first paragraph of Article 36 of the Treaty of Peace concluded on September 10, 1919, between the Allied and Associated Powers and Austria.

ARTICLE 37. (*H. 39.*)

Notwithstanding the provisions of Article 269 (*H. 252*), Part X (Economic Clauses), persons having their usual residence in the territories of the former Austro-Hungarian Monarchy transferred to Italy (*H. in accordance with the first paragraph of Article 36 of the Treaty of Peace with Austria*) who, during

¹ NOTE.—The ordinary method of distinguishing the Austrian and Hungarian Articles (v. Scheme of Arrangement, p. 170) here begins.

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the war, have been outside the territories of the former Austro-Hungarian Monarchy or have been imprisoned, interned or evacuated, shall enjoy the full benefit of the provisions of Articles 252 (*H. 235*) and 253 (*H. 236*), Part X (Economic Clauses) (*H. of the present Treaty*).

ARTICLE 38. (*not in H.*)

A special Convention will determine the terms of repayment in Austrian currency of the special war expenditure advanced during the war by territory of the former Austro-Hungarian Monarchy transferred to Italy or by public associations in that territory on account of the Austro-Hungarian Monarchy under its legislation, such as allowances to the families of persons mobilized, requisitions, billeting of troops, and relief to persons who have been evacuated.

In fixing the amount of these sums Austria shall be credited with the amount which the territory would have contributed to Austria-Hungary to meet the expenses resulting from these payments, this contribution being calculated according to the proportion of the revenues of the former Austro-Hungarian Monarchy derived from the territory in 1918.

ARTICLE 39. (*not in H.*)

The Italian Government will collect for its own account the taxes, dues and charges of every kind leviable in the territories transferred to Italy and not collected on November 3, 1918.

ARTICLE 40. (*H. 37.*)

No sum shall be due by Italy on the ground of her entry into possession of the Palazzo Venezia at Rome.

ARTICLE 41. (*not in H.*)

Subject to the provisions of Article 208, Part IX (Financial Clauses), relative to the acquisition of, and payment for, State property and possessions, the Italian Government is substituted in all the rights which the Austrian State possessed over all the railways in the territories transferred to Italy which were administered by the Railway Administration of the said State and which are actually working or under construction.

The same shall apply to the rights of the former Austro-Hungarian Monarchy with regard to railway and tramway concessions within the above mentioned territories.

The frontier railway stations shall be determined by a subsequent agreement.

ARTICLE 42. (*H. 38.*)

Austria shall restore to Italy within a period of three months all the wagons belonging to the Italian railways which before the outbreak of war had passed into Austria and have not returned to Italy (*H. are now in Hungary*).

ARTICLE 43. (*not in H.*)

Austria renounces as from November 3, 1918, on behalf of herself and her nationals in regard to territories transferred to Italy all rights to which she may be entitled with regard to the products of the aforesaid territories under any agreements, stipulations or laws establishing trusts, cartels or other singular organisations.

ARTICLE 44. (*not in H.*)

For a period of ten years from the coming into force of the present Treaty central electric power stations situated in Austrian territory and formerly furnishing electric power to the territories transferred to Italy or to any establishment the exploitation of which passes to Italy shall be required to

continue furnishing this supply up to an amount corresponding to the undertakings and contracts in force on November 3, 1918.

Austria further admits the right of Italy to the free use of the waters of Lake Raibl and its derivative watercourse and to divert the said waters to the basin of the Korinitza.

ARTICLE 45. (*for H. 40 see below.*)

1. Judgments rendered since August 4, 1914, by the courts in the territory transferred to Italy in civil and commercial cases between the inhabitants of such territory and other nationals of the former Austrian Empire, or between such inhabitants and the subjects of the Powers allies of the Austro-Hungarian Monarchy, shall not be carried into effect until after endorsement by the corresponding new court in such territory.

2. All decisions rendered for political crimes or offences since August 4, 1914, by the judicial authorities of the former Austro-Hungarian Monarchy against Italian nationals, including persons who obtain Italian nationality under the present Treaty, shall be annulled.

3. In all matters relating to proceedings initiated before the coming into force of the present Treaty before the competent authorities of the territory transferred to Italy, the Italian and Austrian judicial authorities respectively shall until the coming into force of a special convention on this subject be authorised to correspond with each other direct. Requests thus presented shall be given effect to so far as the laws of a public character allow in the country to the authorities of which the request is addressed.

4. All appeals to the higher Austrian judicial and administrative authorities beyond the limits of the territory transferred to Italy against decisions of the administrative or judicial authorities of this territory shall be suspended. The records shall be submitted to the authorities against whose decision the appeal was entered. They must be transmitted to the competent Italian authorities without delay.

5. All other questions as to jurisdiction, procedure or the administration of justice will be determined by a special convention between Italy and Austria.

(*H. Article 40.*)

Judgments rendered since August 4, 1914, by the courts in the territory transferred to Italy in accordance with the first paragraph of Article 36 of the Treaty of Peace with Austria, in civil and commercial cases between the inhabitants of such territory and other nationals of the former Kingdom of Hungary, shall not be carried into effect until after endorsement by the corresponding new court in such territory.

All decisions rendered for political crimes or offences since August 4, 1914, by the judicial authorities of the former Austro-Hungarian Monarchy against Italian nationals, or against persons who acquire Italian nationality in accordance with the Treaty of Peace with Austria, shall be annulled.

SECTION II.—SERB-CROAT-SLOVENE STATE.

ARTICLE 46. (*H. 41.*)

Austria, in conformity with the action already taken by the Allied and Associated Powers, recognises the complete independence of the Serb-Croat-Slovene State.

ARTICLE 47. (*II. 42.*)

Austria renounces, so far as she is concerned, in favour of the Serb-Croat-Slovene State all rights and title over the territories of the former Austro-Hungarian Monarchy situated outside the frontiers of Austria as laid down in Article 27, Part II (Frontiers of Austria), and recognised by the

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present Treaty, or by any Treaties concluded for the purpose of completing the present settlement, as forming part of the Serb-Croat-Slovene State.

ARTICLE 48. (*H. 43.*)

A Commission consisting of seven members, five nominated by the Principal Allied and Associated Powers one by the Serb-Croat-Slovene State, and one by Austria, shall be constituted within fifteen days from the coming into force of the present Treaty, to trace on the spot the frontier line described in Article 27, 4, (*H. (2)*), Part II (Frontiers of Austria).

(*H. following paragraph omitted.*)

The decisions of the Commission will be taken by a majority and shall be binding on the parties concerned.

ARTICLE 49. (*not in H.*)

The inhabitants of the Klagenfurt area will be called upon, to the extent stated below, to indicate by a vote the State to which they wish the territory to belong.

The boundaries of the Klagenfurt area are as follows :

From point 871, about 10 kilometres to the east-north-east of Villach, southwards to a point on the Drave about 2 kilometres above St. Martin, a line running approximately from north to south to be fixed on the ground ;

thence in a north-westerly direction as far as a point about 1 kilometre south-east of the railway bridge on the eastern branch of the bend formed by the Drave about 6 kilometres to the east of Villach,

the course of the Drave ;

thence in a south-westerly direction to point 1817 (Malestiger),

a line to be fixed on the ground passing through point 666 (Polana) and cutting the railway between Mallestig and Faak ;

thence in an east-south-easterly direction, then north-east to point 1929 (Guchowa),

the watershed between the basins of the Drave to the north and the Save to the south ;

thence north-east to point 1054 (Strojna),

a line to be fixed on the ground following in a general manner the western boundary of the basin of the Miess, passing through points 1558, 2124 and 1185 ;

thence north-east to point 1522 (Hühner Kogel),

a line to be fixed on the ground, crossing the Drave to the south of Lavamünd ;

thence westwards to point 842, 1 kilometre west of Kasparstein,

a line to be fixed on the ground passing to the north of Lavamünd ;

thence as far as point 1899 (Speikkogl),

the north-eastern administrative boundary of the district of Völkermarkt ;

thence in a south-westerly direction and as far as the River Gurk,

the north-western administrative boundary of the district of Völkermarkt ;

thence in a south-westerly direction as far as a point on the administrative boundary to the west of point 1075 (Steinbruch Kogel),

a line to be fixed on the ground, passing through point 1076 ;

thence in a westerly direction and as far as a point to be fixed near point 725, about 10 kilometres north-west of Klagenfurt,

the administrative boundary between the districts of St. Veit and Klagenfurt ;

thence as far as point 871, which was the starting-point of this description,

a line to be fixed on the ground, passing through points 815 (Freudenberg), 1045 (Gallinberg) and 1069 (Taubenbühel).

ARTICLE 50. (*not in H.*)

With a view to the organisation of a plebiscite, the Klagenfurt area will be divided into two zones, the first to the south and the second to the north of a transversal line, of which the following is a description :

From the point where the western boundary of the area leaves the Drave in a northerly direction as far as the point about 1 kilometre to the east of Rosegg (Saint-Michael),

the course of the Drave downstream ;

thence in a north-easterly direction and as far as the western extremity of the Wörther See, south of Velden,

a line to be fixed on the ground ;

thence in an easterly direction to the outlet of the Glanfurt from the lake, the median line of that lake ;

thence eastwards to its confluence with the River Glan,

the course of the Glanfurt downstream ;

thence eastwards to its confluence with the River Gurk,

the course of the Glan downstream ;

thence in a north-easterly direction, to the point where the northern boundary of the Klagenfurt area crosses the River Gurk,

the course of the Gurk.

The Klagenfurt area will be placed under the control of a Commission entrusted with the duty of preparing the plebiscite in that area and assuring the impartial administration thereof. This Commission will be composed as follows : four members nominated respectively by the United States, Great Britain, France and Italy, one by Austria, one by the Serb-Croat-Slovene State, the Austrian member only taking part in the deliberations of the Commission in regard to the second zone, and the Serb-Croat-Slovene member only taking part therein with regard to the first zone. The decisions of the Commission will be taken by a majority.

The second zone will be occupied by the Austrian troops and administered in accordance with the general regulations of the Austrian legislation.

The first zone will be occupied by the troops of the Serb-Croat-Slovene State, and administered in accordance with the general regulations of the legislation of that State.

In both zones the troops, whether Austrian or Serb-Croat-Slovene, shall be reduced to the numbers which the Commission may consider necessary for the preservation of order, and shall carry out their mission under the control of the Commission. These troops shall be replaced as speedily as possible by a police force recruited on the spot.

The Commission will be charged with the duty of arranging for the vote and of taking such measures as it may deem necessary to ensure its freedom, fairness and secrecy.

In the first zone the plebiscite will be held within three months from the coming into force of the present Treaty, at a date fixed by the Commission.

If the vote is in favour of the Serb-Croat-Slovene State, a plebiscite will be held in the second zone within three weeks from the proclamation of the result of the plebiscite in the first zone, at a date to be fixed by the Commission.

If, on the other hand, the vote in the first zone is in favour of Austria, no plebiscite will be held in the second zone, and the whole of the area will remain definitively under Austrian sovereignty.

The right of voting will be granted to every person without distinction of sex who :

(a.) Has attained the age of 20 years on or before January 1, 1919 ;

(b.) Has on January 1, 1919, his or her habitual residence within the zone subjected to the plebiscite ; and,

(c.) Was born within the said zone, or has had his or her habitual residence

of (? or) rights of citizenship (*pertinenza*) there from a date previous to January 1, 1912.

The result of the vote will be determined by the majority of votes in the whole or each zone.

On the conclusion of each vote the result will be communicated by the Commission to the Principal Allied and Associated Powers, with a full report as to the taking of the vote, and will be proclaimed.

If the vote is in favour of the incorporation either of the first zone or of both zones in the Serb-Croat-Slovene State, Austria hereby renounces, so far as she is concerned and to the extent corresponding to the result of the vote, in favour of the Serb-Croat-Slovene State all rights and title over these territories. After agreement with the Commission the Serb-Croat-Slovene Government may definitively establish its authority over the said territories.

If the vote in the first or second zone is in favour of Austria, the Austrian Government, after agreement with the Commission, will be entitled definitively to re-establish its authority over the whole of the Klagenfurt area, or in the second zone, as the case may be.

When the administration of the country, either by the Serb-Croat-Slovene State or by Austria, as the case may be, has been thus assured, the powers of the Commission will terminate.

Expenditure by the Commission will be borne by Austria and the Serb-Croat-Slovene State, in equal moieties.

ARTICLE 51. (*H. 44 includes Arts. 51-2—see below.*)

The Serb-Croat-Slovene State accepts and agrees to embody in a Treaty with the Principal Allied and Associated Powers such provisions as may be deemed necessary by these Powers to protect the interests of inhabitants of that State who differ from the majority of the population in race, language or religion.*

The Serb-Croat-Slovene State further accepts and agrees to embody in a Treaty with the Principal Allied and Associated Powers such provisions as these Powers may deem necessary to protect freedom of transit and equitable treatment of the commerce of other nations.

ARTICLE 52.

The proportion and nature of the financial obligations of the former Austrian Empire which the Serb-Croat-Slovene State will have to assume on account of the territory placed under its sovereignty will be determined in accordance with Article 203, Part IX (Financial Clauses), of the present Treaty.

Subsequent agreements will decide all questions which are not decided by the present Treaty and which may arise in consequence of the cession of the said territory.

(*H. Article 44.*)

The Serb-Croat-Slovene State recognises and confirms in relation to Hungary its obligation to accept the embodiment in a Treaty with the Principal Allied and Associated Powers such provisions as may be deemed necessary by these Powers to protect the interests of inhabitants of that State who differ from the majority of the population in race, language or religion, as well as to protect freedom of transit and equitable treatment of the commerce of other nations.

The proportion and nature of the financial obligations of Hungary which the Serb-Croat-Slovene State will have to assume on account of the territory placed under its sovereignty will be determined in accordance with Article 186, Part IX (Financial Clauses), of the present Treaty.

Subsequent agreements will decide all questions which are not decided by the present Treaty and which may arise in consequence of the cession of the said territory.

* v. App. IV.

SECTION III.—CZECHO-SLOVAK STATE. (*H. Section IV.*)

ARTICLE 53. (*H. 48.*)

Austria, in conformity with the action already taken by the Allied and Associated Powers, recognises the complete independence of the Czecho-Slovak State, which will include the autonomous territory of the Ruthenians to the south of the Carpathians.

ARTICLE 54. (*H. 49.*)

Austria renounces, so far as she is concerned, in favour of the Czecho-Slovak State all rights and title over the territories of the former Austro-Hungarian Monarchy situated outside the frontiers of Austria as laid down in Article 27, Part II (Frontiers of Austria), and recognised in accordance with (*H. by*) the present Treaty (*H. or by any Treaties concluded for the purpose of completing the present settlement,*) as forming part of the Czecho-Slovak State.

ARTICLE 55. (*H. 50.*)

A Commission composed of seven members, five nominated by the Principal Allied and Associated Powers, one by the Czecho-Slovak State, and one by Austria, will be appointed within fifteen days from the coming into force of the present Treaty to trace on the spot the frontier line laid down (*H. provided for*) in Article 27, 6 (*H. 4*), Part II (Frontiers of Austria), of the present Treaty. (*H. following par. omitted.*)

The decisions of this Commission will be taken by a majority and shall be binding on the parties concerned.

ARTICLE 56. (*H. 51.*)

The Czecho-Slovak State undertakes not to erect any military works in that portion of its territory which lies on the right bank of the Danube to the south of Bratislava (Pressburg).

ARTICLE 57. (*not in H.*)

The Czecho-Slovak State accepts and agrees to embody in a Treaty with the Principal Allied and Associated Powers such provision as may be deemed necessary by these Powers to protect the interests of inhabitants of that State who differ from the majority of the population in race, language or religion.*

The Czecho-Slovak State further accepts and agrees to embody in a Treaty with the Principal Allied and Associated Powers such provisions as these Powers may deem necessary to protect freedom of transit and equitable treatment for the commerce of other nations.

ARTICLE 58. (*H. 52.*)

The proportion and nature of the financial obligations of the former Austrian Empire (*H. Hungary*) which the Czecho-Slovak State will have to assume on account of the territory placed under its sovereignty will be determined in accordance with Article 203 (*H. 186*), Part IX (Financial Clauses), of the present Treaty.

Subsequent agreements will decide all questions which are not decided by the present Treaty and which may arise in consequence of the cession of the said territory.

SECTION IV.—ROUMANIA. (*H. Section III.*)

ARTICLE 59. (*For H. 45 see below.*)

Austria renounces, so far as she is concerned, in favour of Roumania all rights and title over such portion of the former Duchy of Bukovina as lies within the frontiers of Roumania which may ultimately be fixed by the Principal Allied and Associated Powers.

(H. Article 45.)

Hungary renounces so far as she is concerned in favour of Roumania all rights and title over the territories of the former Austro-Hungarian Monarchy situated outside the frontiers of Hungary as laid down in Article 27, Part II (Frontiers of Hungary) and recognised by the present Treaty, or by any Treaties concluded for the purpose of completing the present settlement, as forming part of Roumania.

(H. Article 46.) (not in A.)

A Commission composed of seven members, five nominated by the Principal Allied and Associated Powers, one by Roumania, and one by Hungary, will be appointed within fifteen days from the coming into force of the present Treaty to trace on the spot the frontier line provided for in Article 27 (3), Part II (Frontiers of Hungary).

ARTICLE 60. (H. 47 includes Arts. 60-1—see below.)

Roumania accepts and agrees to embody in a Treaty with the Principal Allied and Associated Powers such provisions as may be deemed necessary by these Powers to protect the interests of inhabitants of that State who differ from the majority of the population in race, language, or religion.*

Roumania further accepts and agrees to embody in a Treaty with the Principal Allied and Associated Powers such provisions as these Powers may deem necessary to protect freedom of transit and equitable treatment for the commerce of other nations.

ARTICLE 61.

The proportion and nature of the financial obligations of the former Austrian Empire which Roumania will have to assume on account of the territory placed under her sovereignty will be determined in accordance with Article 203, Part IX (Financial Clauses), of the present Treaty.

Subsequent agreements will decide all questions which are not decided by the present Treaty and which may arise in consequence of the cession of the said territory.

(H. Article 47.)

Roumania recognises and confirms in relation to Hungary her obligation to accept the embodiment in a Treaty with the Principal Allied and Associated Powers such provisions as may be deemed necessary by these Powers to protect the interests of inhabitants of that State who differ from the majority of the population in race, language or religion, as well as to protect freedom of transit and equitable treatment for the commerce of other nations.

The proportion and nature of the financial obligations of Hungary which Roumania will have to assume on account of the territory placed under her sovereignty will be determined in accordance with Article 186, Part IX (Financial Clauses), of the present Treaty.

Subsequent agreements will decide all questions which are not decided by the present Treaty which may arise in consequence of the cession of the said territory.

(H. Section V.—FIUME.)

Article 53.

Hungary renounces all rights and title over Fiume and the adjoining territories which belonged to the former Kingdom of Hungary and which lie within the boundaries which may subsequently be fixed.

Hungary undertakes to accept the dispositions made in regard to these territories, particularly in so far as concerns the nationality of the inhabitants, in the Treaties concluded for the purpose of completing the present settlement.

* v. App. IV.

SECTION V.—PROTECTION OF MINORITIES. (*H. Section VI.*)ARTICLE 62. (*H. 54.*)

Austria undertakes that the stipulations contained in this Section shall be recognised as fundamental laws, and that no law, regulation or official action shall conflict or interfere with these stipulations, nor shall any law, regulation or official action prevail over them.

ARTICLE 63. (*H. 55.*)

Austria undertakes to assure full and complete protection of life and liberty to all inhabitants of Austria without distinction of birth, nationality, language, race or religion.

All inhabitants of Austria shall be entitled to the free exercise, whether public or private, of any creed, religion or belief, whose practices are not inconsistent with public order or public morals.

ARTICLE 64. (*H. 56.*)

Austria admits and declares to be Austrian nationals *ipso facto* and without the requirement of any formality all persons possessing at the date of the coming into force of the present Treaty rights of citizenship (*pertinenza*) within Austrian territory who are not nationals of any other State.

ARTICLE 65. (*H. 57.*)

All persons born in Austrian territory who are not born nationals of another State shall *ipso facto* become Austrian nationals.

ARTICLE 66. (*H. 58 includes Arts. 66-7.*)

All Austrian nationals shall be equal before the law and shall enjoy the same civil and political rights without distinction as to race, language or religion.

Differences of religion, creed or confession shall not prejudice any Austrian national in matters relating to the enjoyment of civil or political rights, as for instance admission to public employments, functions and honours, or the exercise of professions and industries.

No restriction shall be imposed on the free use by an Austrian national of any language in private intercourse, in commerce, in religion, in the press or in publications of any kind, or at public meetings.

Notwithstanding any establishment by the Austrian Government of an official language, adequate facilities shall be given to Austrian nationals of non-German (*H. Magyar*) speech for the use of their language, either orally or in writing, before the courts.

ARTICLE 67. (*last para. of H. 58.*)

Austrian nationals who belong to racial, religious or linguistic minorities shall enjoy the same treatment and security in law and in fact as the other Austrian nationals. In particular they shall have an equal right to establish, manage and control at their own expense charitable, religious and social institutions, schools and other educational establishments, with the right to use their own language and to exercise their religion freely therein.

ARTICLE 68. (*H. 59.*)

Austria will provide in the public educational system in towns and districts in which a considerable proportion of Austrian nationals of other than German (*H. Magyar*) speech are resident adequate facilities for ensuring that in the primary schools the instruction shall be given to the children of such Austrian nationals through the medium of their own language. This provision shall not prevent the Austrian Government from making the teaching of the German (*H. Magyar*) language obligatory in the said schools.

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In towns and districts where there is a considerable proportion of Austrian nationals belonging to racial, religious or linguistic minorities, these minorities shall be assured an equitable share in the enjoyment and application of the sums which may be provided out of public funds under the State, municipal or other budgets for educational, religious or charitable purposes.

ARTICLE 69. (*H. 60.*)

Austria agrees that the stipulations in the foregoing Articles of this Section, so far as they affect persons belonging to racial, religious or linguistic minorities, constitute obligations of international concern and shall be placed under the guarantee of the League of Nations. They shall not be modified without the assent of a majority of the Council of the League of Nations. The Allied and Associated Powers represented on the Council severally agree not to withhold their assent from any modification in these Articles which is in due form assented to by a majority of the Council of the League of Nations.

Austria agrees that any Member of the Council of the League of Nations shall have the right to bring to the attention of the Council any infraction, or any danger of infraction, of any of these obligations, and that the Council may thereupon take such action and give such direction as it may deem proper and effective in the circumstances.

Austria further agrees that any difference of opinion as to questions of law or fact arising out of these Articles between the Austrian Government and any one of the Principal Allied and Associated Powers or any other Power, a Member of the Council of the League of Nations, shall be held to be a dispute of an international character under Article 14 of the Covenant of the League of Nations. The Austrian Government hereby consents that any such dispute shall, if the other party thereto demands, be referred to the Permanent Court of International Justice. The decision of the Permanent Court shall be final and shall have the same force and effect as an award under Article 13 of the Covenant.

SECTION VI.—CLAUSES RELATING TO NATIONALITY. (*H. Section VII.*)

ARTICLE 70. (*H. 61.*)

Every person possessing rights of citizenship (*pertinenza*) in territory which formed part of the territories of the former Austro-Hungarian Monarchy shall obtain *ipso facto* to the exclusion of Austrian nationality the nationality of the State exercising sovereignty over such territory.

ARTICLE 71. (*not in H.*)

Notwithstanding the provisions of Article 70, Italian nationality shall not, in the case of territory transferred to Italy, be acquired *ipso facto* :

(1) by persons possessing rights of citizenship in such territory who were not born there ;

(2) by persons who acquired their rights of citizenship in such territory after May 24, 1915, or who acquired them only by reason of their official position.

ARTICLE 72. (*not in H.*)

The persons referred to in Article 71, as well as those who :

(a.) formerly possessed rights of citizenship in the territories transferred to Italy, or whose father, or mother if the father is unknown, possessed rights of citizenship in such territories, or

(b.) have served in the Italian Army during the present war, and their descendants, may claim Italian nationality subject to the conditions prescribed in Article 78 for the right of option.

ARTICLE 78. (*not in H.*)

The claim to Italian nationality by the persons referred to in Article 72 may in individual cases be refused by the competent Italian authority.

ARTICLE 74. (*not in H.*)

Where the claim to Italian nationality under Article 72 is not made, or is refused, the persons concerned will obtain *ipso facto* the nationality of the State exercising sovereignty over the territory in which they possessed rights of citizenship before acquiring such rights in the territory transferred to Italy.

ARTICLE 75. (*not in H.*)

Juridical persons established in the territories transferred to Italy shall be considered Italian if they are recognised as such either by the Italian administrative authorities or by an Italian judicial decision.

ARTICLE 76. (*H. 62 includes Arts. 76-7.*)

Notwithstanding the provisions of Article 70 (*H. 61*), persons who acquired rights of citizenship after January 1, 1910, in territory transferred under the present Treaty to the Serb-Croat-Slovene State, or to the Czecho-Slovak State, will not acquire Serb-Croat-Slovene or Czecho-Slovak nationality without a permit from the Serb-Croat-Slovene State or the Czecho-Slovak State respectively.

ARTICLE 77. (*2nd par. of H. 62.*)

If the permit referred to in Article 76 (*H. the preceding paragraph*) is not applied for, or is refused, the persons concerned will obtain *ipso facto* the nationality of the State exercising sovereignty over the territory in which they previously possessed rights of citizenship.

ARTICLE 78. (*H. 63.*)

Persons over 18 years of age losing their Austrian nationality and obtaining *ipso facto* a new nationality under Article 70 (*H. 61*) shall be entitled within a period of one year from the coming into force of the present Treaty to opt for the nationality of the State in which they possessed rights of citizenship before acquiring such rights in the territory transferred.

Option by a husband will cover his wife and option by parents will cover their children under 18 years of age.

Persons who have exercised the above right to opt must within the succeeding twelve months transfer their place of residence to the State for which they have opted.

They will be entitled to retain their immovable property in the territory of the other State where they had their place of residence before exercising their right to opt.

They may carry with them their movable property of every description. No export or import duties may be imposed upon them in connection with the removal of such property.

ARTICLE 79. (*not in H.*)

Persons entitled to vote in plebiscites provided for in the present Treaty shall within a period of six months after the definitive attribution of the area in which the plebiscite has taken place be entitled to opt for the nationality of the State to which the area is not assigned. The provisions of Article 78 relating to the right of option shall apply equally to the exercise of the right under this Article.

ARTICLE 80. (*H. 64.*)

Persons possessing rights of citizenship in territory forming part of the former Austro-Hungarian Monarchy, and differing in race and language

from the majority of the population of such territory, shall within six months from the coming into force of the present Treaty severally be entitled to opt for Austria (*H. Hungary*), Italy, Poland, Roumania, the Serb-Croat-Slovene State, or the Czecho-Slovak State, if the majority of the population of the State selected is of the same race and language as the person exercising the right to opt. The provisions of Article 78 (*H. 63*) as to the exercise of the right of option shall apply to the right of option given by this Article.

ARTICLE 81. (*H. 65.*)

The High Contracting Parties undertake to put no hindrance in the way of the exercise of the right which the persons concerned have under the present Treaty, or under treaties concluded by the Allied and Associated Powers with Germany, Hungary (*H. Austria*) or Russia, or between any of the Allied and Associated Powers themselves, to choose any other nationality which may be open to them.

ARTICLE 82. (*H. 66.*)

For the purposes of the provisions of this Section, the status of a married woman will be governed by that of her husband, and the status of children under 18 years of age by that of their parents.

SECTION VII.—POLITICAL CLAUSES RELATING TO CERTAIN EUROPEAN STATES. (*H. Section VIII.*)

1. *Belgium.*

ARTICLE 83. (*H. 67.*)

Austria, recognising that the Treaties of April 19, 1839, which established the status of Belgium before the war, no longer conform to the requirements of the situation, consents so far as she is concerned to the abrogation of the said treaties and undertakes immediately to recognise and to observe whatever conventions may be entered into by the Principal Allied and Associated Powers, or by any of them, in concert with the Governments of Belgium and of the Netherlands, to replace the said Treaties of 1839. If her formal adhesion should be required to such conventions or to any of their stipulations, Austria undertakes immediately to give it.

2. *Luxemburg.*

ARTICLE 84. (*H. 68.*)

Austria agrees, so far as she is concerned, to the termination of the régime of neutrality of the Grand Duchy of Luxemburg, and accepts in advance all international arrangements which may be concluded by the Allied and Associated Powers relating to the Grand Duchy.

3. *Schleswig.*

ARTICLE 85. (*H. 69.*)

Austria hereby accepts so far as she is concerned all arrangements made by the Allied and Associated Powers with Germany concerning the territories whose abandonment was imposed upon Denmark by the Treaty of October 30, 1864.

4. *Turkey and Bulgaria.*

ARTICLE 86. (*H. 70.*)

Austria undertakes to recognise and accept so far as she is concerned all arrangements which the Allied and Associated Powers may make (*H. or have made*) with Turkey and with Bulgaria with reference to any rights,

interests, and privileges whatever which might be claimed by Austria or her nationals in Turkey or Bulgaria and which are not dealt with in the provisions of the present Treaty.

5. *Russia and Russian States.* (H. 6.)

ARTICLE 87. (H. 72.)

1. Austria acknowledges and agrees to respect as permanent and inalienable the independence of all the territories which were part of the former Russian Empire on August 1, 1914.

In accordance with the provisions of Article 210 (H. 193), Part IX (Financial Clauses), and Article 244 (H. 227), Part X (Economic Clauses), of the present Treaty, Austria *accepts definitely* (H. *definitely accepts*) so far as she is concerned the abrogation of the *Brest-Litovsk Treaties* (H. *Treaties of Brest-Litovsk*) and of all (H. *other*) treaties, conventions, and agreements entered into by the former Austro-Hungarian Government with the Maximalist Government in Russia.

The Allied and Associated Powers formally reserve the rights of Russia to obtain from Austria restitution and reparation based on the principles of the present Treaty.

2. Austria undertakes to recognise the full force of all treaties or agreements which may be entered into by the Allied and Associated Powers with States now existing or coming into existence in future in the whole or part of the former Empire of Russia as it existed on August 1, 1914, and to recognise the frontiers of any such States as determined therein.

(H. 5. *Austria.*) (not in A.)

(H. 71)

Hungary renounces in favour of Austria all rights and title over the territories of the former Kingdom of Hungary situated outside the frontiers of Hungary as laid down in Article 27 (1), Part II (Frontiers of Hungary).

A Commission composed of seven members, five nominated by the Principal Allied and Associated Powers, one by Hungary and one by Austria, shall be constituted within fifteen days from the coming into force of the present Treaty to trace on the spot the frontier line referred to above.

The nationality of the inhabitants of the territories referred to in the present Article shall be regulated in conformity with the dispositions of Articles 61 and 63 to 66.

SECTION VIII.—GENERAL PROVISIONS. (H. Section IX.)

ARTICLE 88. (H. 73.)

The independence of Austria is inalienable otherwise than with the consent of the Council of the League of Nations. Consequently Austria undertakes in the absence of the consent of the said Council to abstain from any act which might directly or indirectly or by any means whatever compromise her independence, particularly, and until her admission to membership of the League of Nations, by participation in the affairs of another Power.

ARTICLE 89. (H. 74 includes Arts. 89-90.)

Austria hereby recognises and accepts the frontiers of (H. *Austria*) Bulgaria, Greece, Hungary, Poland, Roumania, the Serb-Croat-Slovene State and the Czecho-Slovak State as these frontiers may be determined by the Principal Allied and Associated Powers.

ARTICLE 90. (2nd par. of H. 74.)

Austria undertakes to recognise the full force of the *Treaties of Peace* and additional conventions which have been or may be concluded by the Allied and Associated Powers with the Powers who fought on the side of the

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former Austro-Hungarian Monarchy, and to recognise whatever dispositions have been or may be made concerning the territories of the former German Empire, of Hungary (*H. Austria*), of the Kingdom of Bulgaria, and of the Ottoman Empire, and to recognise the new States within their frontiers as there laid down.

ARTICLE 91. (*H. 75.*)

Austria renounces so far as she is concerned in favour of the Principal Allied and Associated Powers all rights and title over the territories which previously belonged to the former Austro-Hungarian Monarchy and which, being situated outside the new frontiers of Austria as described in Article 27, Part II (Frontiers of Austria), have not at present been assigned to any State (*H. otherwise disposed of*).

Austria undertakes to accept the settlement made by the Principal Allied and Associated Powers in regard to these territories, particularly in so far as concerns the nationality of the inhabitants.

ARTICLE 92. (*H. 76.*)

No inhabitant of the territories of the former Austro-Hungarian Monarchy shall be disturbed or molested on account either of his political attitude between July 28, 1914, and the definitive settlement of the sovereignty over these territories, or of the determination of his nationality effected by the present Treaty.

ARTICLE 93. (*H. 77.*)

Austria will hand over without delay to the Allied and Associated Governments concerned archives, registers, plans, title-deeds and documents of every kind belonging to the civil, military, financial, judicial or other forms of administration in the ceded territories. If any one of these documents, archives, registers, title-deeds or plans is missing, it shall be restored by Austria upon the demand of the Allied or Associated Government concerned.

In case the archives, registers, plans, title-deeds or documents referred to in the preceding paragraph, exclusive of those of a military character, concern equally the administrations (*H. administration*) in Austria, and cannot therefore be handed over without inconvenience to such administrations, Austria undertakes, subject to reciprocity, to give access thereto to the Allied and Associated Governments concerned.

ARTICLE 94. (*H. 78.*)

Separate conventions between Austria and each of the States to which territory of the former Austrian Empire is transferred, and each of the States arising from the dismemberment of the former Austro-Hungarian Monarchy, will provide for the interests of the inhabitants, especially in connection with their civil rights, their commerce, and the exercise of their professions.

PART IV.—AUSTRIAN INTERESTS OUTSIDE EUROPE

ARTICLE 95. (*H. 79.*)

In territory outside her frontiers as fixed by the present Treaty Austria renounces so far as she is concerned all rights, titles and privileges whatever in or over territory outside Europe which belonged to the former Austro-Hungarian Monarchy or to its allies, and all rights, titles and privileges whatever their origin which it held as against the Allied and Associated Powers.

Austria undertakes immediately to recognise and to conform to the measures which may be taken now or in the future by the Principal Allied and Associated Powers, in agreement where necessary with third Powers, in order to carry the above stipulation into effect.

SECTION I.—MOROCCO.

ARTICLE 96. (II. 80.)

Austria renounces so far as she is concerned all rights, titles and privileges conferred on her by the General Act of Algeciras of April 7, 1906, and by the Franco-German Agreements of February 9, 1909, and November 4, 1911. All treaties, agreements, arrangements and contracts concluded by the former Austro-Hungarian Monarchy with the Sherifian Empire are regarded as abrogated as from August 12, 1914.

In no case can Austria avail herself of these acts and she undertakes not to intervene in any way in negotiations relating to Morocco which may take place between France and the other Powers.

ARTICLE 97. (II. 81.)

Austria hereby accepts all the consequences of the establishment of the French Protectorate in Morocco, which had been recognised by the Government of the former Austro-Hungarian Monarchy, and she renounces so far as she is concerned the régime of the capitulations in Morocco.

This renunciation shall take effect as from August 12, 1914.

ARTICLE 98. (II. 82.)

The Sherifian Government shall have complete liberty of action in regulating the status of Austrian nationals in Morocco and the conditions in which they can establish themselves there.

Austrian protected persons, *semsars* and 'associés agricoles' shall be considered to have ceased, as from August 12, 1914, to enjoy the privileges attached to their status and shall be subject to the ordinary law.

ARTICLE 99. (II. 83.)

All movable and immovable property in the Sherifian Empire belonging to the former Austro-Hungarian Monarchy passes *ipso facto* to the Maghzen without compensation.

For this purpose, the property and possessions of the former Austro-Hungarian Monarchy shall be deemed to include all the property of the Crown, and the private property of members of the former Royal Family of Austria-Hungary.

All movable and immovable property in the Sherifian Empire belonging to Austrian nationals shall be dealt with in accordance with Sections III and IV of Part X (Economic Clauses) of the present Treaty.

Mining rights which may be recognised as belonging to Austrian nationals by the Court of Arbitration set up under the Moroccan Mining Regulations shall be treated in the same way as property in Morocco belonging to Austrian nationals.

ARTICLE 100. (II. 84.)

The Austrian Government shall ensure the transfer to the person nominated by the French Government of the shares representing Austria's portion of the capital of the State Bank of Morocco. This person will repay to the persons entitled thereto the value of these shares, which shall be indicated by the State Bank.

This transfer will take place without prejudice to the repayment of debts which Austrian nationals may have contracted towards the State Bank of Morocco.

ARTICLE 101. (II. 85.)

Moroccan goods entering Austria shall enjoy the treatment accorded to French goods.

SECTION II.—EGYPT.

ARTICLE 102. (*H. 86.*)

Austria declares that she recognises the Protectorate proclaimed over Egypt by Great Britain on December 18, 1914, and that she renounces so far as she is concerned the régime of the capitulations in Egypt.

This renunciation shall take effect as from August 12, 1914.

ARTICLE 103. (*H. 87.*)

All treaties, agreements, arrangements and contracts concluded by the Government of the former Austro-Hungarian Monarchy with Egypt are regarded as abrogated as from August 12, 1914.

In no case can Austria avail herself of these instruments, and she undertakes not to intervene in any way in negotiations relating to Egypt which may take place between Great Britain and the other Powers.

ARTICLE 104. (*H. 88.*)

Until an Egyptian law of judicial organisation establishing courts with universal jurisdiction comes into force, provision shall be made, by means of decrees issued by His Highness the Sultan, for the exercise of jurisdiction over Austrian nationals and property by the British Consular Tribunals.

ARTICLE 105. (*H. 89.*)

The Egyptian Government shall have complete liberty of action in regulating the status of Austrian nationals, and the conditions under which they may establish themselves in Egypt.

ARTICLE 106. (*H. 90.*)

Austria consents, so far as she is concerned, to the abrogation of the decree issued by His Highness the Khedive on November 28, 1904, relating to the Commission of the Egyptian Public Debt, or to such changes as the Egyptian Government may think it desirable to make therein.

ARTICLE 107. (*H. 91.*)

Austria consents; so far as she is concerned, to the transfer to His Britannic Majesty's Government of the powers conferred on His Imperial Majesty the Sultan by the Convention signed at Constantinople on October 29, 1888, relating to the free navigation of the Suez Canal.

She renounces all participation in the Sanitary, Maritime, and Quarantine Board of Egypt and consents, so far as she is concerned, to the transfer to the Egyptian Authorities of the powers of that Board.

ARTICLE 108. (*H. 92.*)

All property and possessions in Egypt of the former Austro-Hungarian Monarchy pass to the Egyptian Government without payment.

For this purpose, the property and possessions of the former Austro-Hungarian Monarchy shall be deemed to include all the property of the Crown, and the private property of members of the former Royal Family of Austria-Hungary.

All movable and immovable property in Egypt belonging to Austrian nationals shall be dealt with in accordance with Sections III and IV of Part X (Economic Clauses) of the present Treaty.

ARTICLE 109. (*H. 93.*)

Egyptian goods entering Austria shall enjoy the treatment accorded to British goods.

SECTION III.—SIAM.

ARTICLE 110. (H. 94.)

Austria recognises, so far as she is concerned, that all treaties, conventions and agreements between the former Austro-Hungarian Monarchy and Siam, and all rights, titles and privileges derived therefrom, including all rights of extra-territorial jurisdiction, terminated as from July 22, 1917.

ARTICLE 111. (H. 95.)

Austria, so far as she is concerned, cedes to Siam all her rights over the goods and property in Siam which belonged to the former Austro-Hungarian Monarchy, with the exception of premises used as diplomatic or consular residences or offices as well as the effects and furniture which they contain. These goods and property pass *ipso facto* and without compensation to the Siamese Government.

The goods, property and private rights of Austrian nationals in Siam shall be dealt with in accordance with the provisions of Part X (Economic Clauses) of the present Treaty.

ARTICLE 112. (H. 96.)

Austria waives all claims against the Siamese Government on behalf of herself or her nationals arising out of the liquidation of Austrian property or the internment of Austrian nationals in Siam. This provision shall not affect the rights of the parties interested in the proceeds of any such liquidation, which shall be governed by the provisions of Part X (Economic Clauses) of the present Treaty.

SECTION IV.—CHINA.

ARTICLE 113. (H. 97.)

Austria renounces, so far as she is concerned, in favour of China all benefits and privileges resulting from the provisions of the final Protocol signed at Peking on September 7, 1901, and from all annexes, notes and documents supplementary thereto. She likewise renounces in favour of China any claim to indemnities accruing thereunder subsequent to August 14, 1917.

ARTICLE 114. (H. 98.)

From the coming into force of the present Treaty the High Contracting Parties shall apply, in so far as concerns them respectively :

- (1.) The Arrangement of August 29, 1902, regarding the new Chinese customs tariff ;
- (2.) The Arrangement of September 27, 1905, regarding Whang-Poo, and the provisional supplementary Arrangement of April 4, 1912.

China, however, will not be bound to grant to Austria the advantages or privileges which she allowed to the former Austro-Hungarian Monarchy under these Arrangements.

ARTICLE 115. (H. 99.)

Austria, so far as she is concerned, cedes to China all her rights over the buildings, wharves and pontoons, barracks, forts, arms and munitions of war, vessels of all kinds, wireless telegraphy installations and other public property which belonged to the former Austro-Hungarian Monarchy, and which are situated or may be in the Austro-Hungarian Concession at Tientsin or elsewhere in Chinese territory.

It is understood, however, that premises used as diplomatic or consular residences or offices, as well as the effects and furniture contained therein, are not included in the above cession, and, furthermore, that no steps shall

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be taken by the Chinese Government to dispose of the public and private property belonging to the former Austro-Hungarian Monarchy situated within the so-called Legation Quarter at Peking without the consent of the Diplomatic Representatives of the Powers which, on the coming into force of the present Treaty, remain parties to the Final Protocol of September 7, 1901.

ARTICLE 116. (*H. 100.*)

Austria agrees, so far as she is concerned, to the abrogation of the leases from the Chinese Government under which the Austro-Hungarian Concession at Tientsin is now held.

China, restored to the full exercise of her sovereign rights in the above area, declares her intention of opening it to international residence and trade. She further declares that the abrogation of the leases under which the said concession is now held shall not affect the property rights of nationals of Allied and Associated Powers who are holders of lots in this concession.

ARTICLE 117. (*H. 101.*)

Austria waives all claims against the Chinese Government or against any Allied or Associated Government arising out of the internment of Austrian nationals in China and their repatriation. She equally renounces, so far as she is concerned, all claims arising out of the capture and condemnation of Austro-Hungarian ships in China, or the liquidation, sequestration or control of Austrian properties, rights and interests in that country since August 14, 1917. This provision, however, shall not affect the rights of the parties interested in the proceeds of any such liquidation, which shall be governed by the provisions of Part X (Economic Clauses) of the present Treaty.

PART V.—MILITARY, NAVAL AND AIR CLAUSES

In order to render possible the initiation of a general limitation of the armaments of all nations, Austria undertakes strictly to observe the military, naval, and air clauses which follow.

SECTION I.—MILITARY CLAUSES.

Chapter I.—GENERAL.

ARTICLE 118. (*H. 102.*)

Within three months from the coming into force of the present Treaty the military forces of Austria shall be demobilised to the extent prescribed hereinafter.

ARTICLE 119. (*H. 103.*)

Universal compulsory military service shall be abolished in Austria. The Austrian Army shall in future only be constituted and recruited by means of voluntary enlistment.

Chapter II.—EFFECTIVES AND CADRES OF THE AUSTRIAN ARMY.

ARTICLE 120. (*H. 104.*)

The total number of military forces in the Austrian Army shall not exceed 30,000 (*H. 35,000*) men, including officers and dépôt troops.

Subject to the following limitations, the formations composing the Austrian Army shall be fixed in accordance with the wishes of Austria:

- (1.) The effectives of units must be fixed between the maximum and minimum figures shown in Table IV annexed to this Section.

- (2.) The proportion of officers, including the personnel of staffs and special services, shall not exceed one-twentieth of the total effectives with the colours, and that of non-commissioned officers shall not exceed one-fifteenth of the total effectives with the colours.
- (3.) The number of machine-guns, guns and howitzers shall not exceed per thousand men of the total effectives with the colours those fixed in Table V annexed to this Section.

The Austrian Army shall be devoted exclusively to the maintenance of order within the territory of Austria, and to the control of her frontiers.

ARTICLE 121. (*H. 105.*)

The maximum strength of the Staffs and of all formations which Austria may be permitted to raise are given in the Tables annexed to this Section ; these figures need not be exactly followed, but must not be exceeded.

All other organisations for the command of troops or for preparation for war are forbidden.

ARTICLE 122. (*H. 106.*)

All measures of mobilisation, or appertaining to mobilisation, are forbidden.

In no case must formations, administrative services or staffs include supplementary cadres.

The carrying out of any preparatory measures with a view to requisitioning animals or other means of military transport is forbidden.

ARTICLE 123. (*H. 107.*)

The number of gendarmes, customs officers, foresters, members of the local or municipal police or other like officials may not exceed the number of men employed in a similar capacity in 1913 within the boundaries of Austria as fixed by the present Treaty. (*H. The Principal Allied and Associated Powers may, however, increase this number should the Commission of Control referred to in Article 137, after examination on the spot, consider it to be insufficient.*)

The number of these officials shall not be increased in the future except as may be necessary to maintain the same proportion between the number of officials and the total population in the localities or municipalities which employ them.

These officials, as well as officials employed in the railway service, must not be assembled for the purpose of taking part in any military exercises.

ARTICLE 124. (*H. 108.*)

Every formation of troops not included in the Tables annexed to this Section is forbidden. Such other formations as may exist in excess of the 30,000 (*H. 35,000*) effectives authorised shall be suppressed within the period laid down by Article 118 (*H. 102.*)

Chapter III.—RECRUITING AND MILITARY TRAINING.

ARTICLE 125. (*H. 109.*)

All officers must be regulars (*officers de carrière*). Officers now serving who are retained in the Army must undertake the obligation to serve in it up to the age of 40 years at least. Officers now serving who do not join the new army will be released from all military obligations ; they must not take part in any military exercises, whether theoretical or practical.

Officers newly appointed must undertake to serve on the active list for 20 consecutive years at least.

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The number of officers discharged for any reason before the expiration of their term of service must not exceed in any year one-twentieth of the total of officers provided for in Article 120 (*H. 104*). If this proportion is unavoidably exceeded, the resulting shortage must not be made good by fresh appointments.

ARTICLE 126. (*H. 110.*)

The period of enlistment for non-commissioned officers and privates must be for a total period of not less than 12 consecutive years, including at least 6 years with the colours.

The proportion of men discharged before the expiration of the period of their enlistment for reasons of health or as a result of disciplinary measures or for any other reasons must not in any year exceed one-twentieth of the total strength fixed by Article 120 (*H. 104*). If this proportion is unavoidably exceeded, the resulting shortage must not be made good by fresh enlistments.

Chapter IV.—SCHOOLS, EDUCATIONAL ESTABLISHMENTS, MILITARY CLUBS AND SOCIETIES.

ARTICLE 127. (*H. 111.*)

The number of students admitted to attend the courses in military schools shall be strictly in proportion to the vacancies to be filled in the cadres of officers. The students and the cadres shall be included in the effectives fixed by Article 120 (*H. 104*).

Consequently all military schools not required for this purpose shall be abolished.

ARTICLE 128. (*H. 112.*)

Educational establishments, other than those referred to in Article 127 (*H. 111*), as well as all sporting and other clubs, must not occupy themselves with any military matters.

Chapter V.—ARMAMENT, MUNITIONS AND MATERIAL, Fortifications.

ARTICLE 129. (*H. 113.*)

On the expiration of three months from the coming into force of the present Treaty, the armament of the Austrian Army shall not exceed the figures fixed per thousand men in Table V annexed to this Section.

Any excess in relation to effectives shall only be used for such replacements as may eventually be necessary.

ARTICLE 130. (*H. 114.*)

The stock of munitions at the disposal of the Austrian Army shall not exceed the amounts fixed in Table V annexed to this Section.

Within three months from the coming into force of the present Treaty the Austrian Government shall deposit any existing surplus of armament and munitions in such places as shall be notified to it by the Principal Allied and Associated Powers.

No other stock, dépôt or reserve of munitions shall be formed.

ARTICLE 131. (*Not in H.*)

The number and calibre of guns constituting the fixed normal armament of fortified places existing at the present moment in Austria shall be immediately notified to the Principal Allied and Associated Powers, and will constitute maximum amounts which must not be exceeded.

Within three months from the coming into force of the present Treaty,

the maximum stock of ammunition for these guns shall be reduced to and maintained at the following uniform rates :

- 1,500 rounds per gun for those the calibre of which is 105 mm. and under ;
- 500 rounds per gun for those of higher calibre.

ARTICLE 182. (H. 115.)

The manufacture of arms, munitions and war material shall only be carried on in one single factory, which shall be controlled by and belong to the State, and whose output shall be strictly limited to the manufacture of such arms, munitions and war material as is necessary for the military forces and armaments referred to in Articles 120, 123, 129, 130, and 131 (*H. 104, 107, 113, and 114*). (*H. The Principal Allied and Associated Powers may, however, authorise such manufacture, for such a period as they may think fit, in one or more other factories to be approved by the Commission of Control referred to in Article 137.*)

The manufacture of sporting weapons is not forbidden, provided that sporting weapons manufactured in Austria taking ball cartridge are not of the same calibre as that of military weapons used in any European army.

Within three months from the coming into force of the present Treaty, all other establishments for the manufacture, preparation, storage, or design of arms, munitions, or any other war material shall be closed down or converted to purely commercial uses.

Within the same length of time, all arsenals shall also be closed down, except those to be used as depôts for the authorised stocks of munitions, and their staffs discharged.

The plant of any establishments or arsenals in excess of the amount required for the manufacture authorised shall be rendered useless or converted to purely commercial purposes in accordance with the decisions of the Military Inter-Allied Commission of Control referred to in Article 158 (*This par. is H. 116.*) (*H. 137*).

ARTICLE 183. (H. 117.)

Within three months from the coming into force of the present Treaty, all arms, munitions, and war material, including any kind of anti-aircraft material, of whatever origin, existing in Austria in excess of the quantity authorised shall be handed over to the Principal Allied and Associated Powers.

Delivery shall take place at such points in Austrian territory as may be appointed by the said Powers, who shall also decide on the disposal of such material.

ARTICLE 184. (H. 118.)

The importation into Austria of arms, munitions and war material of all kinds is strictly forbidden.

The manufacture for foreign countries and the exportation of arms, munitions and war material shall also be forbidden.

ARTICLE 185. (H. 119.)

The use of flame throwers, asphyxiating, poisonous or other gases, and all similar liquids, materials or devices being prohibited, their manufacture and importation are strictly forbidden in Austria.

Material specially intended for the manufacture, storage or use of the said products or devices is equally forbidden.

The manufacture and importation into Austria of armoured cars, tanks or any similar machines suitable for use in war are equally forbidden.

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Table I.—COMPOSITION and Maximum Effectives of an Infantry Division.
(Also in H.)

Units.	Maximum Effectives of each Unit.	
	Officers.	Men.
Headquarters of an Infantry Division	25	70
Headquarters of Divisional Infantry	5	50
Headquarters of Divisional Artillery	4	80
3 Regiments of Infantry * (on the basis of 65 officers and 2,000 men per regiment)	195	6,000
1 Squadron	6	160
1 Battalion of Trench Artillery (8 companies)	14	500
1 Battalion of Pioneers † (3 companies)	14	500
Regiment Field Artillery ‡	80	1,200
1 Battalion Cyclists (comprising 3 companies)	18	450
1 Signal detachment §	11	380
Divisional Medical Corps	28	550
Divisional parks and trains	14	940
Total for an Infantry Division	414	10,780

* Each regiment comprises 3 battalions of infantry. Each battalion comprises 3 companies of infantry and 1 machine-gun company.

† Each battalion comprises 1 headquarters, 2 pioneer companies, 1 bridging section, 1 searchlight section.

‡ Each regiment comprises 1 headquarters, 3 groups of field or mountain artillery, comprising 8 batteries; each battery comprising 4 guns or howitzers (field or mountain).

§ This detachment comprises: (H. 1 telegraph and) telephone detachment, 1 listening section, 1 carrier pigeon section.

Table II.—COMPOSITION and Maximum Effectives for a Cavalry Division.
(Also in H.)

Units.	Maximum Number Authorised.	Maximum Effectives of each Unit.	
		Officers.	Men.
Headquarters of a Cavalry Division	1	15	50
Regiment of Cavalry *	6	80	720
Group of Field Artillery (3 batteries)	1	80	480
Group of motor machine guns and armoured cars †	1	4	80
Miscellaneous services .. .. .	..	80	500
Total for a Cavalry Division .. .. .	..	259	5,880

* Each regiment comprises 4 squadrons.

† Each group comprises 9 fighting cars, each carrying 1 gun, 1 machine gun, and 1 spare machine gun, 4 communication cars, 2 small lorries for stores, 7 lorries, including 1 repair lorry, 4 motor cycles.

NOTE.—The large cavalry units may include a variable number of regiments and be divided into independent brigades within the limit of the effectives laid down above.

Table III.—COMPOSITION and Maximum Effectives for a Mixed Brigade.
(Also in H.)

Units.	Maximum Effectives of each Unit.	
	Officers.	Men.
Headquarters of a Brigade	10	50
2 Regiments of Infantry *	180	4,000
1 Cyclist Battalion (H. (8 Companies))	18	450
1 Cavalry Squadron	5	100
1 Group Field (H. or Mountain) Artillery (H. (8 Batteries))	20	400
1 Trench Mortar Company	5	150
Miscellaneous services	10	200
Total for Mixed Brigade	198	5,850

* Each regiment comprises 3 battalions of infantry. Each battalion comprises 3 companies of infantry and 1 machine gun company.

Table IV.—MINIMUM Effectives of Units whatever Organisation is
adopted in the Army. (Also in H.)

(Divisions, Mixed Brigades, &c.)

Units.	Maximum Effectives (for reference).		Minimum Effectives	
	Officers.	Men.	Officers.	Men.
Infantry Division ..	414	10,780	300	8,000
Cavalry Division ..	259	5,880	180	3,650
Mixed Brigade ..	198	5,850	140	4,250
Regiment of Infantry	65	2,000	52	1,600
Battalion of Infantry	16	650	12	500
Company of Infantry or machine guns	3	160	2	120
Cyclist Group	18	450	12	300
Regiment of Cavalry	80	720	20	450
Squadron of Cavalry	6	160	3	100
Regiment of Field Artillery	80	1,200	60	1,000
Battery of Field Artillery ..	4	150	2	120
Company of Trench Mortars	3	150	2	100
Battalion of Pioneers	14	500	8	300
Battery of Mountain Artillery	5	320	3	200

Table V.—MAXIMUM authorised Armaments and Munition Supplies.
(Also in H.)

Material.	Quantity for 1,000 Men.	Amount of Munitions per Arm (rifles, guns, &c.).
Rifles or carbines *	1,150	500 rounds.
Machine guns, heavy or light	15	10,000 "
Trench mortars, light	2	1,000 "
Trench mortars, medium		500 "
Guns or howitzers (field or mountain)	3	1,000 "

* Automatic rifles or carbines are counted as light machine guns.

No heavy guns (H. gun), i.e., of a calibre greater than 105 mm. is authorised, with the exception of the normal armament of fortified places.

SECTION II.—NAVAL CLAUSES.

ARTICLE 136. (*H. 120.*)

From the date of the coming into force of the present Treaty all Austro-Hungarian warships, submarines included, are declared to be finally surrendered to the Principal Allied and Associated Powers.

All the monitors, torpedo boats and armed vessels of the Danube Flotilla will be surrendered to the Principal Allied and Associated Powers.

Austria will, however, have the right to maintain on the Danube for the use of the river police three patrol boats to be selected by the Commission referred to in Article 154 (*H. 138*) of the present Treaty. (*H. The Principal Allied and Associated Powers may increase this number should the said Commission, after examination on the spot, consider it to be insufficient.*)

ARTICLE 137. (*H. 121.*)

The Austro-Hungarian auxiliary cruisers and fleet auxiliaries enumerated below will be disarmed and treated as merchant ships :

Bosnia.	Persia.	Trieste.
Gablonz.	Prince Hohenlohe.	Baron Bruck.
Carolina.	Gastein.	Elizabet.
Africa.	Helouan.	Melcavich.
Tirol.	Graf Wurmbrand.	Baron Call.
Argentina.	Pelikan.	Gaea.
Lussin.	Herkules.	Cyclop.
Teodo.	Pola.	Vesta.
Nixe.	Najade.	Nymphe.
Gigante.	Pluto.	Buffel.
Dalmat.	President Wilson (<i>ex-Kaiser Franz Joseph</i>).	

ARTICLE 138. (*H. 122.*)

All warships, including submarines, now under construction in Austrian ports, or in ports which previously belonged to the Austro-Hungarian Monarchy, shall be broken up.

The work of breaking up these vessels will be commenced as soon as possible after the coming into force of the present Treaty.

(*H. The mine-layer tenders under construction at Porto-re may, however, be preserved if the Naval Inter-Allied Commission of Control and the Reparation Commission consider that for economic reasons their employment for commercial purposes is desirable. In that event the vessels will be handed over to the Reparation Commission, which will assess their value, and will credit such value, in whole or in part, to Hungary, or as the case may require to Austria, on the reparation account.*)

ARTICLE 139. (*H. 123.*)

Articles, machinery and material arising from the breaking up of Austro-Hungarian warships of all kinds, whether surface vessels or submarines, may not be used except for purely industrial or commercial purposes.

They may not be sold or disposed of to foreign countries.

ARTICLE 140. (*H. 124.*)

The construction or acquisition of any submarine, even for commercial purposes, shall be forbidden in Austria.

ARTICLE 141. (*H. 125.*)

All arms, ammunition and other naval war material, including mines and torpedoes, which belonged to Austria-Hungary at the date of the signature of the Armistice of November 8, 1918, are declared to be finally surrendered to the Principal Allied and Associated Powers.

ARTICLE 142. (*H. 126.*)

Austria is held responsible for the delivery (Articles 136 (*H. 120*) and 141 (*H. 125*)), the disarmament (Article 137 (*H. 121*)), the demolition (Article 138 (*H. 122*)), as well as the disposal (Article 137 (*H. 121*)) and the use (Article 139 (*H. 123*)) of the objects mentioned in the preceding Articles only so far as these remain in her own territory.

ARTICLE 143. (*H. 127.*)

During the three months following the coming into force of the present Treaty, the Austrian high-power wireless telegraphy station at Vienna (*H. Budapest*) shall not be used for the transmission of messages concerning naval, military or political questions of interest to Austria, or any State which has been allied to Austria-Hungary in the war, without the assent of the Principal Allied and Associated Powers. This station may be used for commercial purposes, but only under the supervision of the said Powers, who will decide the wave-length to be used.

During the same period Austria shall not build any more high-power wireless telegraphy stations in her own territory or that of Hungary (*H. Austria*), Germany, Bulgaria or Turkey.

SECTION III.—AIR CLAUSES.

ARTICLE 144. (*H. 128.*)

The armed forces of Austria must not include any military or naval air forces.

No dirigible shall be kept.

ARTICLE 145. (*H. 129.*)

Within two months from the coming into force of the present Treaty, the personnel of the air forces on the rolls of the Austrian land and sea forces shall be demobilised.

ARTICLE 146. (*H. 130.*)

Until the complete evacuation of Austrian territory by the Allied and Associated troops the aircraft of the Allied and Associated Powers shall enjoy in Austria freedom of passage through the air, freedom of transit and of landing.

ARTICLE 147. (*H. 131.*)

During the six months following the coming into force of the present Treaty, the manufacture, importation, and exportation of aircraft, parts of aircraft, engines for aircraft, and parts of engines for aircraft shall be forbidden in all Austrian territory.

ARTICLE 148. (*H. 132.*)

On the coming into force of the present Treaty, all military and naval aeronautical material must be delivered by Austria and at her expense to the Principal Allied and Associated Powers.

Delivery must be effected at such places as the Governments of the said Powers may select, and must be completed within three months.

In particular, this material will include all items under the following heads which are or have been in use or were designed for warlike purposes:

Complete aeroplanes and seaplanes, as well as those being manufactured, repaired, or assembled.

Dirigibles able to take the air, being manufactured, repaired, or assembled.

Plant for the manufacture of hydrogen.

Dirigible sheds and shelters of every kind for aircraft.

Pending their delivery, dirigibles will, at the expense of Austria, be main-

tained inflated with hydrogen ; the plant for the manufacture of hydrogen, as well as the sheds for dirigibles, may, at the discretion of the said Powers, be left to Austria until the time when the dirigibles are handed over.

Engines for aircraft.

Nacelles and fuselages.

Armament (guns, machine guns, light machine guns, bomb-dropping apparatus, torpedo apparatus, synchronisation apparatus, aiming apparatus).

Munitions (cartridges, shells, bombs loaded or unloaded, stocks of explosives or of material for their manufacture).

Instruments for use on aircraft.

Wireless apparatus and photographic or cinematograph apparatus for use on aircraft.

Component parts of any of the items under the preceding heads.

The material referred to above shall not be removed without special permission from the said Governments.

SECTION IV.—INTER-ALLIED COMMISSIONS OF CONTROL.

ARTICLE 149. (*H. 133.*)

All the Military, Naval and Air Clauses contained in the present Treaty for the execution of which a time limit is prescribed shall be executed by Austria under the control of Inter-Allied Commissions specially appointed for this purpose by the Principal Allied and Associated Powers.

The above-mentioned Commissions will represent the Governments of the Principal Allied and Associated Powers in dealing with the Austrian Government in all matters concerning the execution of the Military, Naval and Air Clauses. They will communicate to the Austrian authorities the decisions which the Principal Allied and Associated Powers have reserved the right to take or which the execution of the said Clauses may necessitate.

ARTICLE 150. (*H. 134.*)

The Inter-Allied Commissions of Control may establish their organisations at Vienna (*H. Budapest*) and shall be entitled, as often as they think desirable, to proceed to any point whatever in Austrian territory, or to send a sub-commission, or to authorise one or more of their members to go to any such point.

ARTICLE 151. (*H. 135.*)

The Austrian Government must furnish to the Inter-Allied Commissions of Control all such information and documents as the latter may deem necessary to ensure the execution of their mission, and all means (both in personnel and in material) which the above-mentioned Commissions may need to ensure the complete execution of the Military, Naval or Air Clauses.

The Austrian Government must attach a qualified representative to each Inter-Allied Commission of Control with the duty of receiving from the latter any communications which it may have to address to the Austrian Government, and furnishing it with, or procuring, all information or documents demanded.

ARTICLE 152. (*H. 136.*)

The upkeep and cost of the Commissions of Control and the expense involved by their work shall be borne by Austria.

ARTICLE 153. (*H. 137.*)

It will be the special duty of the Military Inter-Allied Commission of Control to receive from the Austrian Government the notifications relating to the location of the stocks and depôts of munitions, the armament of the fortified works, fortresses and forts, and the location of the works or factories

for the production of arms, munitions, and war material and their operations.

It will take delivery of the arms, munitions, war material and plant intended for war construction, will select the points where such delivery is to be effected, and will supervise the works of destruction, and rendering things useless, or of transformation of material, which are to be carried out in accordance with the present Treaty.

ARTICLE 154. (*H. 138.*)

It will be the special duty of the Naval Inter-Allied Commission of Control to proceed to the building yards and to supervise the breaking-up of the ships which are under construction there, to take delivery of arms, munitions and naval war material, and to supervise the destruction and breaking-up provided for.

The Austrian Government must furnish to the Naval Inter-Allied Commission of Control all such information and documents as the Commission may deem necessary to ensure the complete execution of the Naval Clauses, in particular the designs of the warships, the composition of their armaments, the details and models of the guns, munitions, torpedoes, mines, explosives, wireless telegraphic apparatus, and in general everything relating to naval war material, as well as all legislative or administrative documents or regulations.

ARTICLE 155. (*H. 139.*)

It will be the special duty of the Aeronautical Inter-Allied Commission of Control to make an inventory of the aeronautical material which is actually in the possession of the Austrian Government, to inspect aeroplane, balloon and motor manufactories, and factories producing arms, munitions and explosives capable of being used by aircraft, to visit all aerodromes, sheds, landing grounds, parks and depôts which are now in Austrian territory, and to authorise where necessary a removal of material and to take delivery of such material.

The Austrian Government must furnish to the Aeronautical Inter-Allied Commission of Control all such information and legislative, administrative or other documents which the Commission may consider necessary to ensure the complete execution of the Air Clauses, and, in particular, a list of the personnel belonging to all the air services of Austria and of the existing material, as well as of that in process of manufacture or on order, and a list of all establishments working for aviation, of their positions, and of all sheds and landing grounds

SECTION V.—GENERAL CLAUSES. (*H. General Articles.*)

ARTICLE 156. (*H. 140.*)

After the expiration of a period of three months from the coming into force of the present Treaty, the Austrian laws must have been modified and shall be maintained by the Austrian Government in conformity with this Part of the present Treaty.

Within the same period all the administrative or other measures relating to the execution of this Part must have been taken by the Austrian Government.

ARTICLE 157. (*H. 141.*)

The following portions of the Armistice of November 3, 1918: paragraphs 2 and 3 of Chapter I (Military Clauses), paragraphs 2, 3, 6 of Chapter I of the annexed Protocol (Military Clauses), remain in force so far as they are not inconsistent with the above stipulations.

ARTICLE 158. (*H. 142.*)

Austria undertakes, from the coming into force of the present Treaty, not to accredit nor to send to any foreign country any military, naval or air mission, nor to allow any such mission to leave her territory; Austria further agrees to take the necessary measures to prevent Austrian nationals from leaving her territory to enlist in the Army, Navy or Air service of any foreign Power, or to be attached to such Army, Navy or Air service for the purposes (*H. purpose*) of assisting in the military, naval or air training thereof, or generally for the purpose of giving military, naval or air instruction in any foreign country.

The Allied and Associated Powers undertake, so far as they are concerned, that from the coming into force of the present Treaty they will not enrol in nor attach to their armies or naval or air forces any Austrian national for the purpose of assisting in the military training of such armies or naval or air forces, or otherwise employ any such Austrian national as military, naval, or aeronautic instructor.

The present provision does not, however, affect the right of France to recruit for the Foreign Legion in accordance with French military laws and regulations.

ARTICLE 159. (*H. 143.*)

So long as the present Treaty remains in force, Austria undertakes to submit to any investigation which the Council of the League of Nations, acting if need be by a majority vote, may consider necessary.

PART VI.—PRISONERS OF WAR AND GRAVES

SECTION I.—PRISONERS OF WAR.

ARTICLE 160. (*H. 144.*)

The repatriation of Austrian prisoners of war and interned civilians shall take place as soon as possible after the coming into force of the present Treaty, and shall be carried out with the greatest rapidity.

ARTICLE 161. (*H. 145.*)

The repatriation of Austrian prisoners of war and interned civilians shall, in accordance with Article 160 (*H. 144*), be carried out by a Commission composed of representatives of the Allied and Associated Powers on the one part and of the Austrian Government on the other part.

For each of the Allied and Associated Powers a Sub-Commission composed exclusively of representatives of the interested Power and of delegates of the Austrian Government shall regulate the details of carrying into effect the repatriation of prisoners of war.

ARTICLE 162. (*H. 146.*)

From the time of their delivery into the hands of the Austrian authorities, the prisoners of war and interned civilians are to be returned without delay to their homes by the said Authorities.

Those among them who, before the war, were habitually resident in territory occupied by the troops of the Allied and Associated Powers are likewise to be sent to their homes, subject to the consent and control of the military authorities of the Allied and Associated armies of occupation.

ARTICLE 163. (*H. 147.*)

The whole cost of repatriation from the moment of starting shall be borne by the Austrian Government, who shall also provide means of transport and working personnel as considered necessary by the Commission referred to in Article 161 (*H. 145.*)

ARTICLE 164. (H. 148.)

Prisoners of war and interned civilians awaiting disposal or undergoing sentence for offences against discipline shall be repatriated irrespective of the completion of their sentence or of the proceedings pending against them.

This stipulation shall not apply to prisoners of war and interned civilians punished for offences committed subsequent to **June 1, 1919** (*H. January 1, 1920*).

During the period pending their repatriation, all prisoners of war and interned civilians shall remain subject to the existing regulations, more especially as regards work and discipline.

ARTICLE 165. (H. 149.)

Prisoners of war and interned civilians who are awaiting trial or undergoing sentence for offences other than those against discipline may be detained.

ARTICLE 166. (H. 150.)

The Austrian Government undertakes to admit to its territory without distinction all persons liable to repatriation.

Prisoners of war or (*H. other*) Austrian nationals who do not desire to be repatriated may be excluded from repatriation; but the Allied and Associated Governments reserve to themselves the right either to repatriate them or to take them to a neutral country or to allow them to reside in their own territories.

The Austrian Government undertakes not to institute any exceptional proceedings against these persons or their families, nor to take any repressive or vexatious measures of any kind whatsoever against them on this account.

ARTICLE 167. (H. 151.)

The Allied and Associated Governments reserve the right to make the repatriation of Austrian prisoners of war or Austrian nationals in their hands conditional upon the immediate notification and release by the Austrian Government of any prisoners of war and other nationals of the Allied and Associated Powers who are still held in Austria against their will.

ARTICLE 168. (H. 152.)

The Austrian Government undertakes :

(1) to give every facility to Commissions to enquire into the cases of those who cannot be traced; to furnish such Commissions with all necessary means of transport; to allow them access to camps, prisons, hospitals, and all other places; and to place at their disposal all documents, whether public or private, which would facilitate their enquiries;

(2) to impose penalties upon any Austrian officials or private persons who have concealed the presence of any nationals of any of the Allied or Associated Powers, or who have neglected to reveal the presence of any such after it had come to their knowledge.

ARTICLE 169. (H. 153.)

The Austrian Government undertakes to restore without delay from the date of the coming into force of the present Treaty all articles, money, securities and documents which have belonged to nationals of the Allied and Associated Powers and which have been retained by the Austrian authorities.

ARTICLE 170. (H. 154.)

The High Contracting Parties waive reciprocally all repayment of sums due for the maintenance of prisoners of war in their respective territories.

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SECTION II.—GRAVES.

ARTICLE 171. (*H. 155.*)

The Allied and Associated Governments and the Austrian Government will cause to be respected and maintained the graves of the soldiers and sailors buried in their respective territories.

They agree to recognise any Commission appointed by the several Governments for the purpose of identifying, registering, caring for or erecting suitable memorials over the said graves, and to facilitate the discharge of its duties.

Furthermore, they agree to afford, so far as the provisions of their laws and the requirements of public health allow, every facility for giving effect to requests that the bodies of their soldiers and sailors may be transferred to their own country.

ARTICLE 172. (*H. 156.*)

The graves of prisoners of war and interned civilians who are nationals of the different belligerent States and have died in captivity shall be properly maintained in accordance with Article 171 of this Part (*H. 155*) of the present Treaty.

The Allied and Associated Powers (*H. Governments*) on the one part and the Austrian Government on the other part reciprocally undertake also to furnish to each other :

(1.) a complete list of those who have died, together with all information useful for identification ;

(2.) all information as to the number and positions of the graves of all those who have been buried without identification.

PART VII.—PENALTIES

ARTICLE 173. (*H. 157.*)

The Austrian Government recognises the right of the Allied and Associated Powers to bring before military tribunals persons accused of having committed acts in violation of the laws and customs of war. Such persons shall, if found guilty, be sentenced to punishments laid down by law. This provision will apply notwithstanding any proceedings or prosecutions before a tribunal in Austria or in the territory of her allies.

The Austrian Government shall hand over to the Allied and Associated Powers, or to such one of them as shall so request, all persons accused of having committed an act in violation of the laws and customs of war, who are specified either by name or by the rank, office or employment which they held under the Austrian authorities.

ARTICLE 174. (*H. 158.*)

Persons guilty of criminal acts against the nationals of one of the Allied and Associated Powers will be brought before the military tribunals of that Power.

Persons guilty of criminal acts against the nationals of more than one of the Allied and Associated Powers will be brought before military tribunals composed of members of the military tribunals of the Powers concerned.

In every case the accused will be entitled to name his own counsel.

ARTICLE 175. (*H. 159.*)

The Austrian Government undertakes to furnish all documents and information of every kind, the production of which may be considered necessary to ensure the full knowledge of the incriminating acts, the discovery of offenders and the just appreciation of responsibility.

ARTICLE 176. (*H. 160.*)

The provisions of Article 173 (*H. 157*) to 175 (*H. 159*) apply similarly to the Governments of the States to which territory belonging to the former Austro-Hungarian Monarchy has been assigned, in so far as concerns persons accused of having committed acts contrary to the laws and customs of war who are in the territory or at the disposal of the said States.

If the persons in question have acquired the nationality of one of the said States, the Government of such State undertakes to take, at the request of the Power concerned and in agreement with it, all the measures necessary to ensure the prosecution and punishment of such persons.

PART VIII.—REPARATION

SECTION I.—GENERAL PROVISIONS.

ARTICLE 177. (*H. 161.*)

The Allied and Associated Governments affirm and Austria accepts the responsibility of Austria and her Allies for causing the loss and damage to which the Allied and Associated Governments and their nationals have been subjected as a consequence of the war imposed upon them by the aggression of Austria-Hungary and her Allies.

ARTICLE 178. (*H. 162.*)

The Allied and Associated Governments recognise that the resources of Austria are not adequate, after taking into account the permanent diminutions of such resources which will result from other provisions of the present Treaty, to make complete reparation for such loss and damage.

The Allied and Associated Governments however require, and Austria undertakes, that she will make compensation as hereinafter determined for damage done to the civilian population of the Allied and Associated Powers and to their property during the period of the belligerency of each as an Allied and Associated Power against Austria by the said aggression by land, by sea and from the air, and in general (*H. all*) damage as defined in Annex I hereto.

ARTICLE 179. (*H. 163.*)

The amount of such damage for which compensation is to be made by Austria shall be determined by an Inter-Allied Commission to be called the *Reparation Commission* and constituted in the form and with the powers set forth hereunder and (*II. in the present Treaty, particularly*) in Annexes II-V inclusive hereto. The Commission is the same as that provided for under Article 238 of the Treaty with Germany, subject to any modifications resulting from the present Treaty. The Commission shall constitute a Section to consider the special questions raised by the application of the present Treaty ; this Section shall have consultative power only, except in cases in which the Commission shall delegate to it such powers as may be deemed convenient.

The Reparation Commission shall consider the claims and give to the Austrian Government a just opportunity to be heard.

The Commission shall concurrently draw up a schedule of payments prescribing the time and manner for securing and discharging by Austria, within thirty years dating from May 1, 1921, that part of the debt which shall have been assigned to her after the Commission has decided whether Germany is in a position to pay the balance of the total amount of claims presented against Germany and her allies and approved by the Commission. If, however, within the period mentioned, Austria fails to discharge her obligations, any balance remaining unpaid may, within the discretion of

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the Commission, be postponed for settlement in subsequent years or may be handled otherwise in such manner as the Allied and Associated Governments acting in accordance with the procedure laid down in this Part of the present Treaty shall determine.

ARTICLE 180. (*H. 164.*)

The Reparation Commission shall, after May 1, 1921, from time to time consider the resources and capacity of Austria, and, after giving her representatives a just opportunity to be heard, shall have discretion to extend the date and to modify the form of payments such as are to be provided for in accordance with Article 179 (*H. 163*), but not to cancel any part except with the specific authority of the several Governments represented on the Commission.

ARTICLE 181. (*H. 165.*)

Austria shall pay in the course of the years 1919 (*H. year*), 1920, and the first four months of 1921, in such instalments and in such manner (whether in gold, commodities, ships, securities or otherwise) as the Reparation Commission may lay down, a reasonable sum which shall be determined by the Commission. Out of this sum the expenses of the armies of occupation subsequent to the Armistice of November 3, 1918, (*H. provided for by Article 181*) shall first be met, and such supplies of food and raw materials as may be judged by the Governments of the Principal Allied and Associated Powers essential to enable Austria to meet her obligations for reparation may also, with the approval of the said Governments, be paid for out of the above sum. The balance shall be reckoned towards the liquidation of the amount due for reparation. Austria shall further deposit bonds as prescribed in paragraph 12 (c) of Annex II hereto.

ARTICLE 182. (*H. 166.*)

Austria further agrees to the direct application of her economic resources to reparation as specified in Annexes III, IV and V relating respectively to merchant shipping, to physical restoration and to raw material; provided always that the value of the property transferred and any services rendered by her under these Annexes, assessed in the manner therein prescribed, shall be credited to her towards the liquidation of her obligations under the above Articles.

ARTICLE 183. (*H. 167.*)

The successive instalments, including the above sum, paid over by Austria in satisfaction of the above claims will be divided by the Allied and Associated Governments in proportions which have been determined upon by them in advance on a basis of general equity and the rights of each.

For the purposes of this division the value of the credits referred to in Article 189 (*H. 173*) and in Annexes III, IV and V shall be reckoned in the same manner as cash payments made in the same year.

ARTICLE 184. (*H. 168.*)

In addition to the payments mentioned above, Austria shall effect, in accordance with the procedure laid down by the Reparation Commission, restitution in cash of cash taken away, seized or sequestrated, and also restitution of animals, objects of every nature and securities taken away, seized or sequestrated in the cases in which it proves possible to identify them on territory belonging to, or during the execution of the present Treaty in the possession of, Austria or her allies.

ARTICLE 185. (*H. 169.*)

The Austrian Government undertakes to make forthwith the restitution contemplated in Article 184 above (*H. 168*) and to make the payments

and deliveries contemplated in Articles 179, 180, 181 and 182 (*H. 163, 164, 165 and 166*) above.

ARTICLE 186. (*H. 170.*)

The Austrian Government recognises the Commission provided for by Article 179 (*H. 163*) as the same may be constituted by the Allied and Associated Governments in accordance with Annex II, and agrees irrevocably to the possession and exercise by such Commission of the power and authority given to it under the present Treaty.

The Austrian Government will supply to the Commission all the information which the Commission may require relative to the financial situation and operations and to the property, productive capacity and stocks, and current production of raw materials and manufactured articles of Austria and her nationals, and further any information relative to the military operations of the war of 1914-1919 which, in the judgment of the Commission, may be necessary.

The Austrian Government shall accord to the members of the Commission and its authorised agents the same rights and immunities as are enjoyed in Austria by duly accredited diplomatic agents of friendly Powers.

Austria further agrees to provide for the salaries and the expenses of the Commission and of such staff as it may employ.

ARTICLE 187. (*H. 171.*)

Austria undertakes to pass, issue and maintain in force any legislation, orders and decrees that may be necessary to give complete effect to these provisions.

ARTICLE 188. (*H. 172.*)

The provisions in this Part of the present Treaty shall not affect in any respect the provisions of Sections III and IV of Part X (Economic Clauses) of the present Treaty.

ARTICLE 189. (*H. 173.*)

The following shall be reckoned as credits to Austria in respect of her reparation obligations :

(a.) any final balance in favour of Austria under Sections III and IV of Part X (Economic Clauses) of the present Treaty ;

(b.) amounts due to Austria in respect of transfers provided for in Part IX (Financial Clauses) and in Part XII (Ports, Waterways, and Railways) ;

(c.) all amounts which, in the judgment of the Reparation Commission, should be credited to Austria on account of any other transfers under the present Treaty of property, rights, concessions or other interests.

In no case, however, shall credit be given for property restored in accordance with Article 184 (*H. 168*).

ARTICLE 190. (*H. 174.*)

The transfer of the Austrian submarine cables, in the absence of any special provision in the present Treaty, is regulated by Annex VI hereto.

ANNEX I. (*Also in H.*)

Compensation may be claimed from Austria in accordance with Article 178 (*H. 162*) above in respect of the total damage under the following categories :

1. Damage to injured persons and to surviving dependants by personal injury to or death of civilians caused by acts of war, including bombardment or other attacks on land, on sea, or from the air, and of the direct consequences thereof and of all operations of war by the two groups of belligerents wherever arising.

2. Damage caused by Austria or her allies to civilian victims of acts of cruelty, violence, or maltreatment (including injuries to life or health as

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a consequence of imprisonment, deportation, internment or evacuation, of exposure at sea, or of being forced to labour) wherever arising, and to the surviving dependants of such victims.

8. Damage caused by Austria or her allies in their own territory or in occupied or invaded territory to civilian victims of all acts injurious to health or capacity to work or to honour, as well as to the surviving dependants of such victims.

4. Damage caused by any kind of maltreatment of prisoners of war.

5. As damage caused to the peoples of the Allied and Associated Powers, all pensions or compensations in the way of pensions to naval and military victims of war, including members of the air force, whether mutilated, wounded, sick, or invalided, and to the dependants of such victims, the amount due to the Allied and Associated Governments being calculated for each of them as being the capitalised cost of such pensions and compensations at the date of the coming into force of the present Treaty on the basis of the scales in force in France on May 1, 1919.

6. The cost of assistance by the Governments of the Allied and Associated Powers to prisoners of war, to their families and dependants.

7. Allowances by the Governments of the Allied and Associated Powers to the families and dependants of mobilized persons or persons serving with the forces, the amount due to them for each calendar year in which hostilities occurred being calculated for each Government on the basis of the average scale for such payments in force in France during that year.

8. Damage caused to civilians by being forced by Austria or her allies to labour without just remuneration.

9. Damage in respect of all property, wherever situated, belonging to any of the Allied or Associated States or their nationals, with the exception of naval or military works or materials, which has been carried off, seized, injured, or destroyed by the acts of Austria or her allies on land, on sea, or from the air, or damage directly in consequence of hostilities or of any operations of war.

10. Damage in the form of levies, fines and other similar exactions imposed by Austria or her allies upon the civilian population.

ANNEX II. (*Also in H.*)

1.

The Commission referred to in Article 179 (*H. 163*) shall be called the 'Reparation Commission' and is hereafter referred to as 'the Commission'.

2.

The Delegates to this Commission shall be appointed by the United States of America, Great Britain, France, Italy, Japan, Belgium, Greece, Poland, Roumania, the Serb-Croat-Slovene State and Czecho-Slovakia. The United States of America, Great Britain, France, Italy, Japan and Belgium shall each appoint a Delegate. The other five Powers shall appoint a Delegate to represent them all under the conditions indicated in the *third (H. second ?) sub-paragraph of paragraph 8* hereafter. At the time when each Delegate is appointed there shall also be appointed an Assistant Delegate, who will take his place in case of illness or necessary absence, but at other times will only have the right to be present at the proceedings without taking any part therein.

On no occasion shall Delegates of more than five of the above Powers have the right to take part in the proceedings of the Commission and to record their votes. The Delegates of the United States, Great Britain, France and Italy shall have this right on all occasions. The Delegate of Belgium shall have this right on all occasions other than those referred to below. The Delegate of Japan will have this right when questions relating to damage at sea are under consideration. The Delegate representing the

five remaining Powers mentioned above shall have this right when questions relating to Austria, Hungary or Bulgaria are under consideration.

Each of the Governments represented on the Commission shall have the right to withdraw after giving twelve months' notice to the Commission and confirming it six months after the date of the original notification.

3.

Such of the Allied and Associated Powers as may be interested shall have the right to name a Delegate to be present and act as assessor only while their respective claims and interests are under examination or discussion, but without the right to vote.

The Section to be established by the Commission under Article 179 (*H. 163*) shall include representatives of the following Powers: the United States of America, Great Britain, France, Italy, Greece, Poland, Roumania, the Serb-Croat-Slovene State and Czecho-Slovakia. This composition of the Section shall in no way prejudice the admissibility of any claims. In voting, the representatives of the United States of America, Great Britain, France and Italy shall each have two votes.

The representatives of the five remaining Powers mentioned above shall appoint a Delegate to represent them all, who shall sit on the Reparation Commission in the circumstances described in paragraph 2 of the present Annex. This Delegate, who shall be appointed for one year, shall be chosen successively from the nationals of each of the said five Powers.

4.

In the case of death, resignation or recall of any Delegate, Assistant Delegate or Assessor, a successor to him shall be nominated as soon as possible.

5.

The Commission shall have its principal permanent bureau in Paris, and shall hold its first meeting in Paris as soon as practicable after the coming into force of the present Treaty, and thereafter will meet in such place or places and at such time as may be deemed convenient and as may be necessary for the most expeditious discharge of its duties.

6.

At its first meeting the Commission shall elect from among the Delegates referred to above a Chairman and a Vice-Chairman, who shall hold office for a year and shall be eligible for re-election. If a vacancy in the chairmanship or vice-chairmanship should occur during the annual period, the Commission shall proceed to a new election for the remainder of the said period.

7.

The Commission is authorised to appoint all necessary officers, agents and employees who may be required for the execution of its functions, and to fix their remuneration; to constitute Sections or Committees, whose members need not necessarily be members of the Commission, and to take all executive steps necessary for the purpose of discharging its duties; and to delegate authority and discretion to officers, agents, Sections and Committees.

8.

All the proceedings of the Commission shall be private unless on particular occasions the Commission shall otherwise determine for special reasons.

9.

The Commission shall be required, if the Austrian Government so desire, to hear within a period which it will fix from time to time evidence and arguments on the part of Austria on any questions connected with her capacity to pay.

10.

The Commission shall consider the claims and give to the Austrian Government a just opportunity to be heard, but not to take any part whatever in the decisions of the Commission. The Commission shall afford a similar opportunity to the allies of Austria when it shall consider that their interests are in question.

11.

The Commission shall not be bound by any particular code or rules of law or by any particular rule of evidence or of procedure, but shall be guided by justice, equity and good faith. Its decisions must follow the same principles and rules in all cases where they are applicable. It will establish rules relating to methods of proof of claims. It may act on any trustworthy modes of computation.

12.

The Commission shall have all the powers conferred upon it, and shall exercise all the functions assigned to it, by the present Treaty.

The Commission shall, in general, have wide latitude as to its control and handling of the whole reparation problem as dealt with in this Part, and shall have authority to interpret its provisions. Subject to the provisions of the present Treaty, the Commission is constituted by the several Allied and Associated Governments referred to in paragraphs 2 and 8 above as the exclusive agency of the said Governments respectively for receiving, selling, holding and distributing the reparation payments to be made by Austria under this Part of the present Treaty. The Commission must comply with the following conditions and provisions :

(a.) Whatever part of the full amount of the proved claims is not paid in gold or in ships, securities, commodities or otherwise, Austria shall be required, under such conditions as the Commission may determine, to cover by way of guarantee, by an equivalent issue of bonds, obligations or otherwise, in order to constitute an acknowledgment of the said part of the debt.

(b.) In periodically estimating Austria's capacity to pay the Commission shall examine the Austrian system of taxation, first, to the end that the sums for reparation which Austria is required to pay shall become a charge upon all her revenues prior to that for the service or discharge of any domestic loan, and, secondly, so as to satisfy itself that in general the Austrian scheme of taxation is fully as heavy proportionately as that of any of the Powers represented on the Commission.

The Reparation Commission shall receive instructions to take account of : (1) the actual economic and financial position of Austrian territory as delimited by the present Treaty ; and (2) the diminution of its resources and of its capacity for payment resulting from the clauses of the present Treaty. As long as the position of Austria is not modified the Commission shall take account of these considerations in fixing the final amount of the obligations to be imposed on Austria, the payments by which these are to be discharged, and any postponement of payment of interest which may be asked for by Austria.

(c.) The Commission shall, as provided in Article 181 (*H. 165*), take from Austria, by way of security for and acknowledgment of her debt, gold bearer bonds free of all taxes or charges of every description established or to be established by the Austrian Government or by any authorities subject to it. These bonds will be delivered at any time that may be judged expedient by the Commission, and in three portions, of which the respective amounts will be also fixed by the Commission, the crowns gold being payable in conformity with Article 214 (*H. 197*), Part IX (Financial Clauses) of the present Treaty :

(1.) A first issue in bearer bonds payable not later than May 1, 1921, without interest. There shall be specially applied to the amortisation of

these bonds the payments which Austria is pledged to make in conformity with Article 181 (*H. 165*), after deduction of the sums used for the reimbursement of the expenses of the armies of occupation and other payments for foodstuffs and raw material (*H. materials*). Such bonds as may not have been redeemed by May 1, 1921, shall then be exchanged for new bonds of the same type as those provided for below (paragraph 12 (c) 2).

(2.) A second issue in bearer bonds bearing interest at 2½ per cent. between 1921 and 1926, and thereafter at 5 per cent. with an additional 1 per cent. for amortisation beginning in 1926 on the whole amount of the issue.

(3.) An undertaking in writing to issue, when, but not until, the Commission is satisfied that Austria can meet the interest and sinking fund obligations, a further instalment of bearer bonds bearing interest at 5 per cent., the time and mode of payment of principal and interest to be determined by the Commission.

The dates for the payment of interest, the manner of employing the amortisation fund and all other questions relating to the issue, management and regulation of the bond issue shall be determined by the Commission from time to time.

Further issues by way of acknowledgment and security may be required as the Commission subsequently determines from time to time.

In case the Reparation Commission should proceed to fix definitely and no longer provisionally the sum of the common charges to be borne by Austria as a result of the claims of the Allied and Associated Powers, the Commission shall immediately annul all bonds which may have been issued in excess of this sum.

(d.) In the event of bonds, obligations or other evidence of indebtedness issued by Austria by way of security for or acknowledgment of her reparation debt being disposed of outright, not by way of pledge, to persons other than the several Governments in whose favour Austria's original reparation indebtedness was created, an amount of such reparation indebtedness shall be deemed to be extinguished corresponding to the nominal value of the bonds, etc., so disposed of outright, and the obligation of Austria in respect of such bonds shall be confined to her liabilities to the holders of the bonds, as expressed upon their face.

(e.) The damage for repairing, reconstructing and rebuilding property situated in the invaded and devastated districts, including installation of furniture, machinery and other equipment, will be calculated according to the cost at the date when the work is done.

(f.) Decisions of the Commission relating to the total or partial cancellation of the capital or interest of any of the verified debt of Austria must be accompanied by a statement of its reasons.

13.

As to voting the Commission will observe the following rules :

When a decision of the Commission is taken, the votes of all the Delegates entitled to vote, or in the absence of any of them, of their assistant Delegates, shall be recorded.

Abstention from voting is to be treated as a vote against the proposal under discussion. Assessors shall have no vote.

On the following questions unanimity is necessary :

(a.) Questions involving the sovereignty of any of the Allied and Associated Powers, or the cancellation of the whole or any part of the debt or obligations of Austria ;

(b.) Questions of determining the amount and conditions of bonds or other obligations to be issued by the Austrian Government and of fixing the time and manner for selling, negotiating or distributing such bonds ;

(c.) Any postponement, total or partial, beyond the end of 1930, of the

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payment of instalments falling due between May 1, 1921, and the end of 1926 inclusive ;

(d.) Any postponement, total or partial, of any instalments falling due after 1926 for a period exceeding three years ;

(e.) Questions of applying in any particular case a method of measuring damages different from that which has been previously applied in a similar case ;

(f.) Questions of the interpretation of the provisions of this part of the present Treaty.

All other questions shall be decided by the vote of the majority.

In the case of any difference of opinion among the Delegates, which cannot be solved by reference to their Governments, upon the question whether a given case is one which requires a unanimous vote for its decision or not, such difference shall be referred to the immediate arbitration of some impartial person to be agreed upon by their Governments, whose award the Allied and Associated Governments agree to accept.

14.

Decisions of the Commission, in accordance with the powers conferred upon it, shall forthwith become binding and may be put into immediate execution without further proceedings.

15.

The Commission shall issue to each of the interested Powers in such form as the Commission shall fix :

(1) a certificate stating that it holds for the account of the said Power bonds of the issues mentioned above, the said certificate on the demand of the Power concerned being divisible into a number of parts not exceeding five ;

(2) from time to time certificates stating the goods delivered by Austria on account of her reparation debt which it holds for the account of the said Power.

Such certificates shall be registered and, upon notice to the Commission, may be transferred by endorsement.

When bonds are issued for sale or negotiation, and when goods are delivered by the Commission, certificates to an equivalent value must be withdrawn.

16.

Interest shall be debited to Austria as from May 1, 1921, in respect of her debt as determined by the Commission, after allowing for sums already covered by cash payments or their equivalent by bonds issued to the Commission, or under Article 189 (*H. 173*).

The rate of interest shall be 5 per cent. unless the Commission shall determine at some future time that circumstances justify a variation of this rate.

The Commission, in fixing on May 1, 1921, the total amount of the debt of Austria, may take account of interest due on sums arising out of reparation and of material damage as from November 11, 1918 (*H. or any later date that may be fixed by the Commission*), up to May 1, 1921.

17.

In case of default by Austria in the performance of any obligation under this Part of the present Treaty, the Commission will forthwith give notice of such default to each of the interested Powers and may make such recommendations as to the action to be taken in consequence of such default as it may think necessary.

18.

The measures which the Allied and Associated Powers shall have the right to take, in the case of voluntary default by Austria, and which Austria

agrees not to regard as acts of war, may include economic and financial prohibitions and reprisals, and, in general, such other measures as the respective Governments may determine to be necessary in the circumstances.

19.

Payments required to be made in gold or its equivalent on account of the proved claims of the Allied and Associated Powers may at any time be accepted by the Commission in the form of chattels, properties, commodities, businesses, rights, concessions within or without Austrian territory, ships, bonds, shares or securities of any kind, or currencies of Austria or other States, the value of such substitutes for gold being fixed at a fair and just amount by the Commission itself.

20.

The Commission, in fixing or accepting payment in specified properties or rights shall have due regard for any legal or equitable interests of the Allied and Associated Powers, or of neutral Powers, or of their nationals therein.

21.

No member of the Commission shall be responsible, except to the Government appointing him, for any action or omission as such member. No one of the Allied and Associated Governments assumes any responsibility in respect of any other Government.

22.

Subject to the provisions of the present Treaty, this Annex may be amended by the unanimous decision of the Governments represented from time to time upon the Commission.

23.

When all the amounts due from Austria and her allies, under the present Treaty or the decisions of the Commission have been discharged, and all sums received, or their equivalents, have been distributed to the Powers interested, the Commission shall be dissolved.

ANNEX III. (*Also in H.*)

1.

Austria recognises the right of the Allied and Associated Powers to the replacement ton for ton (gross tonnage) and class for class of all merchant ships and fishing boats lost or damaged owing to the war.

Nevertheless and in spite of the fact that the tonnage of Austrian shipping at present in existence is much less than that lost by the Allied and Associated Powers in consequence of the aggression of Austria (*H. Austria-Hungary*) and her allies, the right thus recognised will be enforced on the Austrian ships and boats under the following conditions:—

The Austrian Government, on behalf of themselves, and so as to bind all other persons interested, cede to the Allied and Associated Governments the property in all merchant ships and fishing boats belonging to nationals of the former Austrian Empire.

2.

The Austrian Government will, within two months of the coming into force of the present Treaty, deliver to the Reparation Commission all the ships and boats mentioned in paragraph 1.

3.

The ships and boats in paragraph 1 include all ships and boats which (a) fly or may be entitled to fly the Austro-Hungarian merchant flag and are registered in a port of the former Austrian Empire, or (b) are owned by

any national, company or corporation of the former Austrian Empire, or by any company or corporation belonging to a country other than an Allied or Associated country and under the control or direction of nationals of the former Austrian Empire, or (c) which are now under construction (1) in the former Austrian Empire, (2) in other than Allied or Associated countries for the account of any national, company or corporation of the former Austrian Empire.

4.

For the purpose of providing documents of title for the ships and boats to be handed over as above mentioned, the Austrian Government will :

(a) deliver to the Reparation Commission in respect of each vessel a bill of sale or other document of title evidencing the transfer to the Commission of the entire property in the vessel, free from all encumbrances, charges and liens of all kinds, as the Commission may require ;

(b) take all measures that may be indicated by the Reparation Commission for ensuring that the ships themselves shall be placed at its disposal.

5.

Austria undertakes to restore in kind and in normal condition of upkeep to the Allied and Associated Powers within two months of the coming into force of the present Treaty in accordance with procedure to be laid down by the Reparation Commission any boats and other movable appliances belonging to inland navigation which, since July 28, 1914, have, by any means whatever, come into her possession or into the possession of her nationals, and which can be identified.

With a view to make good the loss in inland navigation tonnage from whatever cause arising which has been incurred during the war by the Allied and Associated Powers, and which cannot be made good by means of the restitution prescribed above, Austria agrees to cede to the Reparation Commission a portion of the Austrian river fleet up to the amount of the loss mentioned above, provided that such cession shall not exceed 20 per cent. of the river fleet as it existed on November 3, 1918.

The conditions of this cession shall be settled by the arbitrators referred to in Article 300 (*H. 284*), Part XII (Ports, Waterways, and Railways) of the present Treaty, who are charged with the settlement of difficulties relating to the apportionment of river tonnage resulting from the new international régime applicable to certain river systems or from the territorial changes affecting those systems.

6.

Austria agrees to take any measures that may be indicated to her by the Reparation Commission for obtaining a full title to the property in all ships which have, during the war, been transferred or are in process of transfer to neutral flags without the consent of the Allied and Associated Governments.

7.

Austria waives all claims of any description against the Allied and Associated Governments and their nationals in respect of the detention, employment, loss or damage of any Austrian ships or boats.

8.

Austria renounces all claims to vessels or cargoes sunk by or in consequence of naval action and subsequently salvaged in which any of the Allied or Associated Governments or their nationals may have any interest either as owners, charterers, insurers, or otherwise, notwithstanding any decree of condemnation which may have been made by a Prize Court of the former Austro-Hungarian Monarchy or of its allies.

ANNEX IV. (*Also in H.*)

1.

The Allied and Associated Powers require and Austria undertakes that in part satisfaction of her obligations expressed in this Part she will, as hereinafter provided, devote her economic resources directly to the physical restoration of the invaded areas of the Allied and Associated Powers to the extent that these Powers may determine.

2.

The Allied and Associated Governments may file with the Reparation Commission lists showing :

(a) animals, machinery, (*H. rolling-stock*), equipment, tools and like articles of a commercial character which have been seized, consumed or destroyed by Austria, or destroyed in direct consequence of military operations, and which such Governments, for the purpose of meeting immediate and urgent needs, desire to have replaced by animals and articles of the same nature which are in being in Austrian territory at the date of the coming into force of the present Treaty ;

(b) reconstruction materials (*H. such as*) stones, bricks, refractory bricks, tiles, wood, window glass, steel, lime, cement, etc.), machinery, heating apparatus, furniture and like articles of a commercial character, which the said Governments desire to have produced and manufactured in Austria and delivered to them to permit of the restoration of the invaded areas.

3.

The lists relating to the articles mentioned in (*H. paragraph*) 2 (a) above shall be filed within sixty days (*H. three months*) after the date of the coming into force of the present Treaty.

The lists relating to the articles in 2 (b) above shall be filed on or before December 31, 1919.

The lists shall contain all such details as are customary in commercial contracts dealing with the subject-matter, including specifications, dates of delivery (but not extending over more than four years), and places of delivery, but not prices or value, which shall be fixed as hereinafter provided by the Commission.

4.

Immediately upon the filing of such lists with the Commission, the Commission shall consider the amount and number of the materials and animals mentioned in the lists provided for above which are to be required of Austria. In reaching a decision on this matter the Commission shall take into account such domestic requirements of Austria as it deems essential for the maintenance of Austrian social and economic life, the prices and dates at which similar articles can be obtained in the Allied and Associated countries as compared with those to be fixed for Austrian articles, and the general interest of the Allied and Associated Governments that the industrial life of Austria be not so disorganised as to affect adversely the ability of Austria to perform the other acts of reparation stipulated for.

Machinery, (*H. rolling-stock*), equipment, tools and like articles of a commercial character in actual industrial use are not, however, to be demanded of Austria unless there is no free stock of such articles respectively which is not in use and is available, and then not in excess of 80 per cent. of the quantity of such articles in use in any one establishment or undertaking.

The Commission shall give representatives of the Austrian Government an opportunity and a time to be heard as to their capacity to furnish the said materials, articles and animals.

The decision of the Commission shall thereupon and at the earliest

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possible moment be communicated to the Austrian Government, and to the several interested Allied and Associated Governments.

The Austrian Government undertakes to deliver the materials, articles and animals as specified in the said communication, and the interested Allied and Associated Governments severally agree to accept the same, provided they conform to the specification given or are not, in the judgment of the Commission, unfit to be utilised in the work of reparation.

5.

The Commission shall determine the value to be attached to the materials, articles and animals to be delivered in accordance with the foregoing, and the Allied or Associated Power receiving the same agrees to be charged with such value, and the amount thereof shall be treated as a payment by Austria to be divided in accordance with Article 183 (*H. 167*) of the present Treaty.

In cases where the right to require physical restoration as above provided is exercised, the Commission shall ensure that the amount to be credited against the reparation obligations of Austria shall be fair value for work done or material supplied by Austria, and that the claim made by the interested Power in respect of the damage so repaired by physical restoration shall be discharged to the extent of the proportion which the damage thus repaired bears to the whole of the damage thus claimed for.

3. (*For H. 6 see below.*)

As an immediate advance on account of the animals referred to in paragraph 2 above, Austria undertakes to deliver in equal monthly instalments in the three months following the coming into force of the present Treaty the following quantities of live stock :—

(1.) *To the Italian Government.*

4,000 milch cows of from 3 to 5 years ;
1,000 heifers ;
50 bulls from 18 months to 3 years ;
1,000 calves ;
1,000 working bullocks ;
2,000 sows.

(2.) *To the Serb-Croat-Slovene Government.*

1,000 milch cows of from 3 to 5 years ;
300 heifers ;
25 bulls from 18 months to 3 years ;
1,000 calves ;
500 working bullocks ;
1,000 draught horses ;
1,000 sheep.

(3.) *To the Roumanian Government.*

1,000 milch cows of from 3 to 5 years ;
500 heifers ;
25 bulls from 18 months to 3 years ;
1,000 calves ;
500 working bullocks ;
1,000 draught horses ;
1,000 sheep.

The animals delivered shall be of average health and condition.

If the animals so delivered cannot be identified as animals taken away or seized, the value of such animals shall be credited against the reparation obligations of Austria in accordance with paragraph 5 of this Annex.

(H. 6.)

In order to meet the immediate needs of the countries whose live stock has been seized, consumed or destroyed, the Allied and Associated Powers may present to the Reparation Commission immediately after the coming into force of the present Treaty lists of the live stock which they desire to have delivered to them within three months from the coming into force of the present Treaty, as an immediate advance on account of the animals referred to in paragraph 2 above.

The Reparation Commission shall decide in what numbers such live stock shall be delivered within the above period of three months, and Hungary agrees to make such deliveries in accordance with the decisions of the Commission.

The Commission will distribute the live stock so delivered between the Powers concerned, taking into account the immediate needs of each of these Powers and the extent to which these needs have been met by the Treaties concluded between the Allied and Associated Powers on the one hand and Austria and Bulgaria on the other hand.

The animals delivered shall be of average health and condition.

If the animals so delivered cannot be identified as animals taken away or seized, the value of such animals shall be credited against the reparation obligations of Hungary in accordance with paragraph 5 of this Annex.

7. (Not in H.)

As an immediate advance on account of the articles referred to in paragraph 2 above, Austria undertakes to deliver during the six months following the coming into force of the present Treaty in equal monthly instalments such supplies of furniture in hard and soft wood intended for sale in Austria as the Allied and Associated Powers shall ask for month by month through the Reparation Commission and which the Commission shall consider on the one hand justified by the seizures and destruction carried out in the course of the war on the territory of the said Powers and on the other hand proportionate to the supplies at the disposal of Austria. The price of the articles so supplied shall be carried to the credit of Austria under the conditions provided for in paragraph 5 of this Annex.

ANNEX V. (Also in H.)

1.

Austria shall give, as partial reparation, to the Allied and Associated Governments severally an option during the five years following the coming into force of the present Treaty for the annual delivery of the raw materials hereinafter enumerated: the amounts delivered to bear the same relation to their annual importations of these materials before the war from Austria-Hungary as the resources of Austria as now delimited by the present Treaty bear to the resources before the war of the former Austro-Hungarian Monarchy.

Timber and timber manufactures;

Iron and iron alloys;

Magnesite.

(H. Hungary shall also give, as partial reparation, to the Allied and Associated Powers an option for the annual delivery during the five years following the coming into force of the present Treaty of a quantity of steam coal from the Pecs mine. This quantity will be periodically determined by the Reparation Commission, which will dispose of it for the benefit of the Serb-Croat-Slovene State in conditions fixed by the Commission.)

2.

The price paid for the products referred to in the preceding paragraph shall be the same as the price paid by Austrian nationals under the same

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conditions of shipment to the Austrian frontier and shall be subject to any advantages which may be accorded similar products furnished to Austrian nationals.

3.

The foregoing options shall be exercised through the intervention of the Reparation Commission, which subject to the specific provisions hereof shall have power to determine all questions relative to procedure and qualities and quantities of products and the times and modes of delivery and payment. In giving notice to the Austrian Government of the foregoing options, the Commission shall give at least 120 days' notice of deliveries to be made after **January (H. July) 1, 1920**, and at least 30 days' notice of deliveries to be made between the coming into force of the present Treaty and **January (H. July) 1, 1920**. If the Commission shall determine that the full exercise of the foregoing options would interfere unduly with the industrial requirements of Austria, the Commission is authorised to postpone or to cancel deliveries and in so doing to settle all questions of priority.

ANNEX VI. (*Also in H.*)

Austria renounces on her own behalf and on behalf of her nationals in favour of Italy all rights, titles or privileges of whatever nature in any submarine cables or portions of cables connecting Italian territory, including the (*H. any*) territories which are (*H. may be*) assigned to Italy under (*H. in accordance with*) the present Treaty.

Austria also renounces on her own behalf and on behalf of her nationals in favour of the Principal Allied and Associated Powers all rights, titles and privileges of whatever nature in the submarine cables, or portions thereof, connecting the territories ceded by Austria under the terms of the present Treaty to the various Allied and Associated Powers.

The States concerned shall provide for the upkeep of the installations and the proper working of the said cables.

As regards the cable from Trieste to Corfu, the Italian Government shall enjoy in its relations with the company owning this cable the same position as that held by the Austro-Hungarian Government.

The value of the cables or portions of cables referred to in the **two first (*H. first two*)** paragraphs of the present Annex, calculated on the basis of the original cost, less a suitable allowance for depreciation, shall be credited to Austria in the reparation account.

SECTION II.—SPECIAL PROVISIONS.

ARTICLE 191. (*H. 175.*)

In carrying out the provisions of Article 184 (*H. 168*) Austria undertakes to surrender to each of the Allied and Associated Powers respectively all records, documents, objects of antiquity and of art, and all scientific and bibliographical material taken away from the invaded territories, whether they belong to the State or to provincial, communal, charitable or ecclesiastical administrations or other public or private institutions.

ARTICLE 192. (*H. 176.*)

Austria shall in the same manner restore objects of the same nature as those referred to in the preceding Article (*H. 175*) which may have been taken away since June 1, 1914, from the ceded territories, with the exception of objects bought from private owners.

The Reparation Commission will apply to these objects the provisions of Article 208 (*H. 191*), Part IX (Financial Clauses), of the present Treaty, if these are appropriate.

ARTICLE 193. (H. 177.)

Austria will give up to each of the Allied and Associated Governments respectively all the records, documents and historical material possessed by public institutions which may have a direct bearing on the history of the ceded territories and which have been removed during the last ten years (H. since January 1, 1868). This last-mentioned period, as far as concerns Italy, shall be extended to the date of the proclamation of the Kingdom (1861).

(H. With regard to all objects or documents of an artistic, archaeological, scientific or historic character forming part of collections which formerly belonged to the Government or the Crown of the Austro-Hungarian Monarchy and are not otherwise provided for in the present Treaty, Hungary undertakes :

(a) to negotiate, when required, with the States concerned for an amicable arrangement whereby any portion thereof or any objects or documents belonging thereto which ought to form part of the intellectual patrimony of the said States may be returned to their country of origin on terms of reciprocity, and

(b) for twenty years, unless a special arrangement is previously arrived at, not to alienate or disperse any of the said collections or to dispose of any of the above objects, but at all times to ensure their safety and good condition and to make them available, together with inventories, catalogues and administrative documents relating to the said collections, at all reasonable times to students who are nationals of any of the Allied and Associated Powers.

Reciprocally, Hungary will be entitled to apply to the said States, particularly to Austria, in order to negotiate, in the conditions mentioned above, the necessary arrangements for the return to Hungary of the collections, documents and objects referred to above, to which the guarantees referred to in paragraph (b) will apply.)

The new States arising out of the former Austro-Hungarian Monarchy (II. 178.) and the States which receive part of the territory of that Monarchy undertake on their part to hand over to Austria (H. to give up to the Hungarian Government) the records, documents and material dating from a period not exceeding twenty years which have a direct bearing on the history or administration of the territory of Austria and which may be found in the territories transferred.

ARTICLE 194. (H. 179.)

Austria acknowledges that she remains bound, as regards Italy, to execute (H. in full) the obligations referred to in Article 15 of the Treaty of Zurich of November 10, 1859, in Article 18 of the Treaty of Vienna of October 3, 1866, and in the Convention of Florence of July 14, 1868, concluded between Italy and Austria-Hungary, in so far as the Articles referred to have not in fact been executed in their entirety, and in so far as the documents and objects in question are situated in the territory of Austria or her allies.

ARTICLE 195. (Not in H.)

Within a period of twelve months from the coming into force of the present Treaty a Committee of three jurists appointed by the Reparation Commission shall examine the conditions under which the objects or manuscripts in possession of Austria, enumerated in Annex I hereto, were carried off by the House of Hapsburg, and by the other Houses which have reigned in Italy. If it is found that the said objects or manuscripts were carried off in violation of the rights of the Italian provinces the Reparation Commission, on the report of the Committee referred to, shall order their restitution. Italy and Austria agree to accept the decisions of the Commission.

Belgium, Poland and Czecho-Slovakia may also submit claims for restitution, to be examined by the same Committee of three jurists, relating to the objects and documents enumerated in Annexes II, III and IV hereto. Belgium, Poland, Czecho-Slovakia and Austria undertake to accept the decisions taken by the Reparation Commission as the result of the report of the said Committee.

ARTICLE 196. (*Not in H.*)

With regard to all objects of artistic, archæological, scientific or historic character forming part of collections which formerly belonged to the Government or the Crown of the Austro-Hungarian Monarchy and are not otherwise provided for in the present Treaty, Austria undertakes :

(a.) to negotiate, when required, with the States concerned for an amicable arrangement whereby any portion thereof or any objects belonging thereto which ought to form part of the intellectual patrimony of the ceded districts may be returned to their districts of origin on terms of reciprocity, and

(b.) for twenty years, unless a special arrangement is previously arrived at, not to alienate or disperse any of the said collections or to dispose of any of the above objects, but at all times to ensure their safety and good condition and to make them available, together with inventories, catalogues, and administrative documents relating to the said collections, at all reasonable times to students who are nationals of any of the Allied and Associated Powers.]

ANNEX I. (*Not in H.*)

TUSCANY.

The Crown jewels (such part as remains after their dispersion); the private jewels of the Princess Electress of Medici; the medals which form part of the Medici heirlooms and other precious objects—all being domanial property according to contractual agreements and testamentary dispositions—removed to Vienna during the eighteenth century.

Furniture and silver plate belonging to the House of Medici and the 'jewel of Aspasios' in payment of debts owed by the House of Austria to the Crown of Tuscany.

The ancient instruments of astronomy and physics belonging to the Academy of Cimento removed by the House of Lorraine and sent as a present to the cousins of the Imperial House of Vienna.

MODENA.

A 'Virgin' by Andrea del Sarto and four drawings by Correggio belonging to the Pinacothek of Modena and removed in 1859 by Duke Francis V.

The three following MSS. belonging to the Library of Modena: *Biblia Vulgata* (Cod. Lat. 422/23), *Breviarium Romanum* (Cod. Lat. 424), and *Officium Beatæ Virginis* (Cod. Lat. 262), carried off by Duke Francis V in 1859.

The bronzes carried off under the same circumstances in 1859.

Certain objects (among others two pictures by Salvator Rosa and a portrait by Dosso Dossi) claimed by the Duke of Modena in 1868 as a condition of the execution of the Convention of June 20, 1868, and other objects given up in 1872 in the same circumstances.

PALERMO.

Objects made in Palermo in the twelfth century for the Norman kings and employed in the coronation of the Emperors, which were carried off from Palermo and are now in Vienna.

NAPLES.

Ninety-eight MSS. carried off from the Library of S. Giovanni a Carbonara and other libraries at Naples in 1718 under the orders of Austria and sent to Vienna.

Various documents carried off at different times from the State Archives of Milan, Mantua, Venice, Modena and Florence.

ANNEX II. (*Not in H.*)

I. The Triptych of S. Ildephonse, by Rubens, from the Abbey of Saint-Jacques sur Cowdenberg at Brussels, bought in 1777 and removed to Vienna.

II. Objects and documents removed for safety from Belgium to Austria in 1794 :

(a.) Arms, armour, and other objects from the old Arsenal of Brussels.

(b.) The Treasure of the 'Toison d'or' preserved in previous times in the 'Chapelle de la Cour' at Brussels.

(c.) Coinage, stamps, medals, and counters by Theodore van Berckel which were an essential feature in the archives of the 'Chambre des Comptes' at Brussels.

(d.) The original manuscript copies of the 'carte chorographique' of the Austrian Low Countries drawn up by Lieut.-General Comte Jas de Ferraris between 1770 and 1777, and the documents relating thereto.

ANNEX III. (*Not in H.*)

Object removed from the territory forming part of Poland subsequent to the first partition in 1772 :

The gold cup of King Ladislas IV, No. 1,114 of the Court Museum at Vienna.

ANNEX IV. (*Not in H.*)

1. Documents, historical memoirs, manuscripts, maps, etc., claimed by the present State of Czecho-Slovakia, which Thaulow von Rosenthal removed by order of Maria Theresa.

2. The documents originally belonging to the Royal Aulic Chancellory of Bohemia and the Aulic Chamber of Accounts of Bohemia, and the works of art which formed part of the installation of the Royal Château of Prague and other royal castles in Bohemia, which were removed by the Emperors Mathias, Ferdinand II, Charles VI (about 1718, 1728, and 1737) and Francis Joseph I, all of which are now in the archives, Imperial castles, museums and other central public institutions at Vienna.

PART IX.—FINANCIAL CLAUSES

ARTICLE 197. (*H. 180.*)

Subject to such exceptions as the Reparation Commission may make, the first charge upon all the assets and revenues of Austria shall be the cost of reparation and all other costs arising under the present Treaty or any treaties or agreements supplementary thereto, or under arrangements concluded between Austria and the Allied and Associated Powers during the Armistice signed on November 3, 1918.

Up to May 1, 1921, the Austrian Government shall not export or dispose of, and shall forbid the export or disposal of, gold without the previous approval of the Allied and Associated Powers acting through the Reparation Commission.

ARTICLE 198. (*H. 181.*)

There shall be paid by the Government of Austria (*H. subject to the fifth paragraph of this Article*) the total cost of all armies of the Allied and Associated Governments occupying territory within the boundaries of Austria as defined by the present Treaty from the date of the signature of the Armistice of November 3, 1918, including the keep of men and beasts, lodging and billeting, pay and allowances, salaries and wages, bedding, heating, lighting, clothing, equipment, harness and saddlery, armament and rolling-stock, air services,

treatment of sick and wounded, veterinary and remount services, transport services of all sorts (such as by rail, sea or river, motor-lorries), communications and correspondence, and, in general, the cost of all administrative or technical services the working of which is necessary for the training of troops and for keeping their numbers up to strength and preserving their military efficiency.

The cost of such liabilities under the above heads, so far as they relate to purchases or requisitions by the Allied and Associated Governments in the occupied territory, shall be paid by the Austrian Government to the Allied and Associated Governments in crowns or any legal currency of Austria which may be substituted for crowns at the current or agreed rate of exchange.

(H. In cases where an Allied Government, in order to make such purchases or requisitions in the occupied territory, has incurred expenditure in a currency other than crowns, such expenditure shall be reimbursed in any legal Hungarian currency at the rate of exchange current at the date of reimbursement, or at an agreed rate.)

All other of the above costs shall be paid in the currency of the country to which the payment is due.

(H. The above stipulations will apply to military operations carried out after November 3, 1918, to such extent as the Reparation Commission shall consider necessary, and the Reparation Commission shall have, so far as these operations are concerned, full power to decide all questions, especially those relating to :

(a) the costs of the armies engaged in such operations, particularly the determination of their nature and amount, the portion of such costs to be charged to Hungary, the manner and currency in which such portion is to be paid, and any possible arrangements as regards preference or priority in connection with such payment ;

(b) the requisitioning in the course of the operations of property and securities of every description, particularly the possible classification of any portion of such property or securities as war booty, the valuation of such property or securities, the extent to which restitution should be made, debiting on the reparation account of the sum representing the property or securities not restored against the Power in possession thereof, the method of payment (in cash or as a set-off on the reparation account) of the sums so debited, and the dates on which such payment or set-off is to be made.)

ARTICLE 199. (H. 182.)

Austria confirms the surrender of all material handed over or to be handed over to the Allied and Associated Powers in accordance with the Armistice of November 3, 1918, and subsequent Armistice (H. or any supplementary) Agreements, and recognises the title of the Allied and Associated Powers to such material.

There shall be credited to Austria, against the sums due from her to the Allied and Associated Powers for reparation, the value, as assessed by the Reparation Commission, of such of the above material for which, as having non-military value, credit should, in the judgment of the Reparation Commission, be allowed to Austria.

Property belonging to the Allied and Associated Governments or their nationals restored or surrendered under the Armistice Agreements in specie shall not be credited to Austria.

ARTICLE 200. (H. 183.)

The priority of the charges established by Article 197 (H. 180) shall, subject to the qualifications made in the last paragraph of this Article (H. below), be as follows :

(a.) the cost of the armies of occupation, as defined under Article 198 (H. 181), during the Armistice ;

(b.) the cost of any armies of occupation, as defined under Article 198 (*H. 181*), after the coming into force of the present Treaty ;

(c.) the cost of reparation arising out of the present Treaty or any treaties or conventions supplementary thereto ;

(d.) the cost of all other obligations incumbent on Austria under the Armistice Conventions (*H. Agreements*) or under this (*H. the present*) Treaty or any treaties or conventions supplementary thereto.

The payment for such supplies of food and raw material for Austria and such other payments as may be judged by the Principal Allied and Associated Powers to be essential to enable Austria to meet her obligations in respect of reparation shall have priority to the extent and upon the conditions which have been or may be determined by the Governments of the said Powers.

(H. The payment of the costs of the armies employed in the operations effected after November 3, 1918, shall have priority to the extent and upon the conditions fixed by the Reparation Commission in accordance with the provisions of Article 181.)

ARTICLE 201. (*H. 184.*)

The right of each of the Allied and Associated Powers to dispose of enemy assets and property within its jurisdiction at the date of the coming into force of the present Treaty is not affected by the foregoing provisions.

ARTICLE 202. (*H. 185.*)

Nothing in the foregoing provisions shall prejudice in any manner charges or mortgages lawfully effected in favour of the Allied and Associated Powers or their nationals respectively before the date at which a state of war existed between Austria-Hungary and the Allied or Associated Power concerned by the former Austrian Government or by nationals of the former Austrian Empire on assets in their ownership at that date, except in so far as variations of such charges or mortgages are specifically provided for under the terms of the present Treaty or any treaties or agreements (*H. conventions*) supplementary thereto.

ARTICLE 203. (*H. 186.*)

1. Each of the States to which territory of the former Austro-Hungarian Monarchy is transferred, and each of the States arising from the dismemberment of that Monarchy, including Austria, shall (*H. , in so far as territory is assigned to it in accordance with the present Treaty,*) assume responsibility for a portion of the debt of the former Austrian Government which is specifically secured on railways, salt mines or other property, and which was in existence on July 28, 1914. The portion to be so assumed by each State shall be such portion as in the opinion of the Reparation Commission represents the secured debt in respect of the railways, salt mines and other properties transferred to that State under the terms of the present Treaty or any treaties or agreements supplementary thereto.

The amount of the liability in respect of secured debt so assumed by each State, other than Austria, shall be valued by the Reparation Commission, on such basis as the Commission may consider equitable, and the value so ascertained shall be deducted from the amount payable by the State in question to Austria in respect of property of the former or existing Austrian Government which the State acquires with the territory. Each State shall be solely responsible in respect of that portion of the secured debt for which it assumes responsibility under the terms of this Article, and holders of the debt for which responsibility is assumed by States other than Austria shall have no recourse against the Government of any other State.

Any property which was specifically pledged to secure any debt referred to in this Article shall remain specifically pledged to secure the new debt. But in case the property so pledged is situated as the result of the present

Treaty in more than one State, that portion of the property which is situated in a particular State shall constitute the security only for that part of the debt which is apportioned to that State, and not for any other part of the debt.

For the purposes of the present Article there shall be regarded as secured debt payments due by the former Austrian Government in connection with the purchase of railways or similar property ; the distribution of the liability for such payments will be determined by the Reparation Commission in the same manner as in the case of secured debt.

Debts for which the responsibility is transferred under the terms of this Article shall be expressed in terms of the currency of the State assuming the responsibility, if the original debt was expressed in terms of Austro-Hungarian paper currency. For the purposes of this conversion the currency of the assuming State shall be valued in terms of Austro-Hungarian paper kronen at the rate at which those kronen were exchanged into the currency of the assuming State by that State when it first substituted its own currency for Austro-Hungarian kronen. The basis of this conversion of the currency unit in which the bonds are expressed shall be subject to the approval of the Reparation Commission, which shall, if it thinks fit, require the State effecting the conversion to modify the terms thereof. Such modification shall only be required if, in the opinion of the Commission, the foreign exchange value of the currency unit or units substituted for the currency unit in which the old bonds are expressed is substantially less at the date of the conversion than the foreign exchange value of the original currency unit.

If the original Austrian debt was expressed in terms of a foreign currency or foreign currencies, the new debt shall be expressed in terms of the same currency or currencies.

If the original Austrian debt was expressed in terms of Austro-Hungarian gold coin, the new debt shall be expressed in terms of equivalent amounts of pounds sterling and gold dollars of the United States of America, the equivalents being calculated on the basis of the weight and the fineness of gold of the three coins as enacted by law on January 1, 1914.

Any foreign exchange options, whether at fixed rates or otherwise, embodied explicitly or implicitly in the old bonds shall be embodied in the new bonds also.

2. Each of the States to which territory of the former Austro-Hungarian Monarchy is transferred, and each of the States arising from the dismemberment of that Monarchy, including Austria, shall assume responsibility for a portion of the unsecured bonded debt of the former Austrian Government which was in existence (*H. as it stood*) on July 28, 1914, calculated on the basis of the ratio between the average for the three financial years 1911, 1912, 1913, of such revenues of the distributed territory (*H. distributed in accordance with the present Treaty*) and the average for the same years of such revenues of the whole of the former Austrian territories as in the judgment of the Reparation Commission are best calculated to represent the financial capacity of the respective territories. In making the above calculation the revenues of Bosnia and Herzegovina shall not be included. (*H. Nevertheless, when there existed before July 28, 1914, financial agreements relating to the unsecured bonded debt of the former Hungarian Government, the Reparation Commission may take such agreements into consideration when effecting the division of this debt between the States mentioned above.*)

The responsibilities in respect of bonded debt to be assumed under the terms of this Article shall be discharged in the manner laid down in the Annex hereto.

The Austrian Government shall be solely responsible for all the liabilities of the former Austrian Government incurred (*H. by it*) prior to July 28, 1914, other than those evidenced by the bonds, bills, securities and currency notes which are specifically provided for under the terms of the present Treaty.

Neither the provisions of this Article nor the provisions of the Annex

hereto shall apply to securities of the former Austrian Government deposited with the Austro-Hungarian Bank as security for the currency notes issued by that bank.

ANNEX. (*Also in H.*)

The amount of the former unsecured Austrian Government bonded debt, the responsibility for which is to be distributed under the provisions of Article 203 (*H. 186*), shall be the amount of that debt as it stood on July 28, 1914, after deducting that portion which represents the liability of the former Hungarian Government for that debt as provided by the additional Convention relating to the contribution of the countries of the Sacred Hungarian Crown to the charges of the general debt of Austria-Hungary approved by the Austro-Hungarian Law of December 30, 1907, B. L. I., No. 278.

Each State assuming responsibility for the old (*H. former*) unsecured Austrian Government (*H. bonded*) debt shall, within three months of the coming into force of the present Treaty, if it has not already done so, stamp with the stamp of its own Government all the bonds of that debt existing in its own territory. The distinguishing numbers of the bonds so stamped shall be recorded and shall be furnished, together with the other records of the stamping, to the Reparation Commission.

Holders of bonds within the territory of a State which is required to stamp old Austrian bonds under the terms of this Annex shall, from the date of the coming into force of the present Treaty, be creditors in respect of these bonds of that State only, and they shall have no recourse against the Government of any other State.

Each State which, under the terms of Article 203 (*H. 186*), is required to assume responsibility for a portion of the old unsecured Austrian Government debt, and which has ascertained by means of stamping the old Austrian bonds that the bonds of any particular issue of such old Austrian Bonds held within its territory were smaller in amount than the amount of that issue for which, in accordance with the assessment of the Reparation Commission, it is held responsible, shall deliver to the Reparation Commission new bonds equal in amount to the difference between the amount of the issue for which it is responsible and the amount of the same issue recorded as held within its own territory. Such new bonds shall be of such denominations as the Reparation Commission may require. They shall carry the same rights as regards interest and amortisation as the old bonds for which they are substituted, and in all other respects the conditions of the new bonds shall be fixed subject to the approval of the Reparation Commission.

If the original bond was expressed in terms of Austro-Hungarian paper currency, the new bond by which it is replaced shall be expressed in terms of the currency of the State issuing the new bond, and for the purpose of this currency conversion, the currency of the new State shall be valued in terms of Austro-Hungarian paper kronen at the rate at which those kronen were exchanged for the currency of the new State by that State when it first substituted its own currency for Austro-Hungarian paper kronen. The basis of this conversion of the currency unit in which the bonds are expressed shall be subject to the approval of the Reparation Commission, which shall, if it thinks fit, require the State effecting the conversion to modify the terms thereof. Such modification shall only be required if, in the opinion of the Commission, the foreign exchange value of the currency unit or units substituted for the currency unit in which the old bonds are expressed is substantially less at the date of the conversion than the foreign exchange value of the original currency unit.

If the original bond was expressed in terms of a foreign currency or foreign currencies, the new bond shall be expressed in terms of the same currency or currencies. If the original bond was expressed in terms of Austro-Hungarian gold coin, the new bond shall be expressed in terms of

equivalent amounts of pounds sterling and gold dollars of the United States of America, the equivalents being calculated on the basis of the weight and fineness of gold of the three coins as enacted by law on January 1, 1914.

Any foreign exchange options, whether at fixed rates or otherwise, embodied explicitly or implicitly in the old bonds shall be embodied in the new bonds also.

Each State which under the terms of Article 203 (*H. 186*) is required to assume responsibility for a portion of the old unsecured Austrian Government Debt, which has ascertained by means of stamping the old Austrian bonds that the bonds of any particular issue of such old Austrian bonds held within its territory were larger in amount than the amount of that issue for which it is held responsible in accordance with the assessment of the Reparation Commission, shall receive from the Reparation Commission its due proportionate share of each of the new issues of bonds issued in accordance with the provisions of this Annex.

Holders of unsecured bonds of the old Austrian Government Debt held outside the boundaries of the States to which territory of the former Austro-Hungarian Monarchy is transferred, or of States arising from (*H. out of*) the dismemberment of that Monarchy, including Austria, shall deliver through the agency of their respective Governments to the Reparation Commission the bonds which they hold, and in exchange therefor the Reparation Commission shall deliver to them certificates entitling them to their due proportionate share of each of the new issues of bonds corresponding to and issued in exchange for their surrendered bonds under the provisions of this Annex.

The share of each State or private holder entitled to a share in any new issue of bonds issued in accordance with the provisions of this Annex shall bear such proportion to the total amount of bonds of that new issue as the holding of the State or private owner in question of the old issue of bonds bears to the total amount of the old issue presented to the Reparation Commission for exchange into new bonds in accordance with the provisions of this Annex. Each such participating State or private holder will also be entitled to its or his due proportionate share of the new bonds issued under the terms of the Treaty with Hungary in exchange for that portion of the former Austrian Government debt for which Hungary accepted liability under the additional Convention of 1907.

The Reparation Commission shall, if it think fit, arrange with the holders of the new bonds provided for by this Annex a consolidation loan of each debtor State, the bonds of which loan shall be substituted for the various different issues of new bonds on such terms as may be agreed upon by the Commission and the bondholders.

The State assuming liability for any bond of the former Austrian Government shall assume any liability attaching to the bond in respect of unpaid coupons or sinking fund instalments accrued since the date of the coming into force of the present Treaty.

(H. In addition to the former unsecured Hungarian Government bonded debt to be divided as above, there shall also be divided among the several States, in the same proportion, the amount of the former unsecured Austrian Government bonded debt which represents the liability of the former Hungarian Government for that debt, as provided by the additional Convention relating to the contribution of the countries of the Sacred Hungarian Crown to the charges of the general debt of the Austro-Hungarian State approved by the Austro-Hungarian Law of December 30, 1907, B. L. I., No. 278.)

Each State which, in virtue of the present Treaty, assumes responsibility for a part of this Austrian debt shall deliver to the Reparation Commission new securities for an amount equal to the part of the above-mentioned Austrian debt which is attributed to it.

The terms of these securities shall be fixed by the Reparation Commission. They shall be such as to represent as exactly as possible the terms of the former

Austrian securities for which these securities are to be substituted. The new securities will be delivered to the States or holders of Austrian securities, who will have the right to a portion of each of the new issues made in accordance with the provisions of the Annex to Article 203 of the Treaty with Austria.)

ARTICLE 204. (H. 187.)

1. In case the new boundaries of any States, as laid down by the present Treaty, shall divide any local area which was a single unit for borrowing purposes and which had a legally constituted public debt, such debt shall be divided between the new divisions of the area in a proportion to be determined by the Reparation Commission in accordance with the principles laid down for the reapportionment of Government debts under Article 203 (H. 186 of the present Treaty,) and the responsibility so assumed shall be discharged in such a manner as the Reparation Commission shall determine.

2. The public debt of Bosnia and Herzegovina shall be regarded as the debt of a local area and not as part of the public debt of the former Austro-Hungarian Monarchy.

ARTICLE 205. (H. 188.)

Within two months of the coming into force of the present Treaty, each one of the States to which territory of the former Austro-Hungarian Monarchy is transferred (H. in accordance with the present Treaty) and each one of the States arising from the dismemberment of that Monarchy, including Austria, shall, if it has not already done so, stamp with the stamp of its own Government the securities of various kinds which are separately provided for, representing the bonded war debt of the former Austrian Government as legally constituted prior to October 27 (H. 31), 1918, and existing in their respective territories.

The securities thus stamped shall be withdrawn and replaced by certificates, their distinguishing numbers shall be recorded, and any securities withdrawn, together with the documents recording the transaction, shall be sent to the Reparation Commission.

The stamping and replacement of a security by a certificate under the provisions of this Article shall not imply that the State so stamping and replacing a security thereby assumes or recognises any obligation in respect of it, unless the State in question desires that the stamping and replacement should have this implication.

The aforementioned States, with the exception of Austria, shall be free from any obligation in respect of the war debt of the former Austrian Government, wherever that debt may be held, but neither the Governments of those States nor their nationals shall have recourse under any circumstances whatever against any other States, including Austria, in respect of the war debt bonds of which they or their nationals are the beneficial owners.

The war debt of the former Austrian Government which was prior to the signature of the present Treaty in the beneficial ownership of nationals or Governments of States other than those to which territory of the former Austro-Hungarian Monarchy is assigned (H. in accordance with the present Treaty) shall be a charge upon the Government of Austria (H. Hungarian Government) only, and no one of the other States aforementioned shall be held responsible for any part thereof.

The provisions of this Article shall not apply to the securities of the former Austrian Government deposited by that Government with the Austro-Hungarian Bank as security for the currency notes of the said bank.

The existing Austrian Government shall be solely responsible for all the liabilities of the former Austrian Government incurred during the war, other than those evidenced by the bonds, bills, securities and currency notes which are specifically provided for under the terms of the present Treaty.

ARTICLE 206. (*H. 189.*)

1. Within two months of the coming into force of the **present Treaty** (*H. Treaty with Austria*), each one of the States to which territory of the former Austro-Hungarian Monarchy is transferred, and each one of the States arising from the dismemberment of that Monarchy, including Austria and the **present Hungary**, shall, if it has not already done so, stamp with the stamp of its own Government the currency notes of the Austro-Hungarian Bank existing in its territory.

2. Within twelve months of the coming into force of the **present Treaty** (*H. Treaty with Austria*), each one of the States to which territory of the former Austro-Hungarian Monarchy is transferred, and each one of the States arising from the dismemberment of that Monarchy, including Austria and the **present Hungary**, shall replace, as it may think fit, the stamped notes referred to above by its own or a new currency.

3. The Governments of such States as have already converted the currency notes of the Austro-Hungarian Bank by stamping or by the issue of their own or a new currency, and in carrying out this operation have withdrawn, without stamping them, a portion or all of the currency notes circulating in their territory, shall either stamp the notes so withdrawn or hold them at the disposal of the Reparation Commission.

4. Within fourteen months of the coming into force of the **present Treaty** (*H. Treaty with Austria*), those Governments which have replaced notes of the bank by their own or new currency, in accordance with the provisions of this Article, shall transfer to the Reparation Commission all the notes, stamped or unstamped, of the bank which have been withdrawn in the course of this replacement.

5. All notes transferred to the Reparation Commission under the provisions of this Article shall be dealt with by that Commission in accordance with the provisions of the Annex hereto.

6. The Austro-Hungarian Bank shall be liquidated as from the day succeeding the day of the signature of this **Treaty** (*H. the Treaty with Austria*).

7. The liquidation shall be conducted by receivers specially appointed for that purpose by the Reparation Commission. In conducting the liquidation of the bank, the receivers shall follow the rules laid down in the Statutes or other valid instruments regulating the constitution of the bank, subject, however, to the special provisions of this Article. In the case of any doubt arising as to the interpretation of the rules concerning the liquidation of the bank, whether laid down in these Articles and Annexes or in the Statutes of the bank, the decision of the Reparation Commission or any arbitrator appointed by it for that purpose shall be final.

8. The currency notes issued by the bank subsequent to October 27, 1918, shall have a claim on the securities issued by the (*H. former or existing*) Austrian and Hungarian Governments, both former and existing, and deposited with the bank by those Governments as security for these notes, but they shall not have a claim on any other assets of the bank.

9. The currency notes issued by the bank on or prior to October 27, 1918, in so far as they are entitled to rank at all in conformity with this Article, shall all rank equally as claims against all the assets of the bank, other than the Austrian and Hungarian Government securities deposited as security for the various note issues.

10. The securities deposited by the (*H. former or existing*) Austrian and Hungarian Governments, both former and existing, with the bank as security for the currency notes issued on or prior to October 27, 1918, shall be cancelled in so far as they represent the notes converted in the territory of the former Austro-Hungarian Monarchy as it existed on July 28, 1914, by States to which territory of that Monarchy is transferred or by States arising from the dismemberment of that Monarchy, including Austria and the **present Hungary**.

11. The remainder of the securities deposited by the *(H. former or existing)* Austrian and Hungarian Governments, **both former and existing**, with the bank as security for the currency notes issued on or prior to October 27, 1918, shall be retained in force as security for, and in so far as they represent, the notes issued on or prior to October 27, 1918, which on June 15, 1919, were outside the limits of the former Austro-Hungarian Monarchy as it **existed on July 28, 1914**, that is to say, firstly, all notes of this description which are presented to the Reparation Commission in accordance with paragraph 4 of this Article, and secondly all notes of this description which may be held elsewhere and are presented to the receivers of the bank in accordance with the Annex hereto.

12. No claims on account of any other currency notes issued on or prior to October 27, 1918, shall rank either against the general assets of the bank or against the securities deposited by the *(H. former or existing)* Austrian and Hungarian Governments, **both former and existing**, as security for the notes, and any balance of such securities remaining after the amount of securities mentioned in paragraphs 10 and 11 has been calculated and deducted shall be cancelled.

13. All securities deposited by the *(H. former or existing)* Austrian and Hungarian Governments, **both former and existing**, with the bank as security for currency note issues and which are maintained in force shall be the obligations respectively of the Governments of Austria and the **present Hungary only** and not of any other States.

14. The holders of currency notes of the Austro-Hungarian Bank shall have no recourse against the Governments of Austria or the **present Hungary** or any other Government in respect of any loss which they may suffer as the result of the liquidation of the bank.

(H. 15. Nevertheless, if any difficulties should arise owing to the date of the signature of the present Treaty, the dates at which any of the operations laid down by this Article are to be carried out may be altered by the Reparation Commission.)

ANNEX. *(Also in H.)*

1.

The respective Governments, when transmitting to the Reparation Commission all the currency notes of the Austro-Hungarian Bank withdrawn by them from circulation in accordance with the terms of Article 206 *(H. 189)*, shall also deliver to the Commission all the records showing the nature and amounts of the conversions which they have effected.

The Reparation Commission, after examining the records, shall deliver to the said Governments separate certificates stating the total amount of currency notes which the Governments have converted :

(a.) within the limits *(H. boundaries)* of the former Austro-Hungarian Monarchy as it existed on July 28, 1914 ;

(b.) elsewhere.

These certificates will entitle the bearer to lodge a claim with the receivers of the bank for currency notes thus converted which are entitled to share in the assets of the bank.

3.

After the liquidation of the bank is completed, the Reparation Commission shall destroy the notes thus withdrawn.

4.

No notes issued on or prior to October 27, 1918, wherever they may be held, will rank as claims against the bank unless they are presented through the Government of the country in which they are held.

ARTICLE 207. (*II. 190.*)

Each one of the States to which territory of the former Austro-Hungarian Monarchy is transferred, and each one of the States arising from the dismemberment of that Monarchy, including Austria, shall deal as it thinks fit with the petty or token coinage of the former Austro-Hungarian Monarchy existing in its territory.

No such State shall have any recourse, under any circumstances, on behalf either of itself or of its nationals, against any other State with regard to such petty or token coinage.

ARTICLE 208. (*H. 191.*)

States to which territory of the former Austro-Hungarian Monarchy is transferred and States arising from the dismemberment of that Monarchy shall acquire all property and possessions situated within their territories belonging to the former or existing Austrian Government.

For the purposes of this Article, the property and possessions of the former or existing Austrian Government shall be deemed to include the property of the former Austrian Empire and the interests of that Empire (*H. Kingdom*) in the joint property of the Austro-Hungarian Monarchy, as well as all the property of the Crown, and the private property of members of the former Royal Family of Austria-Hungary.

These States shall, however, have no claim to any property of the former or existing Government of Austria situated outside their own respective territories.

The value of such property and possessions acquired by States other than Austria shall be fixed by the Reparation Commission and placed by that Commission to the credit of Austria and to the debit of the State acquiring such property on account of the sums due for reparation. The Reparation Commission shall deduct from the value of the public property thus acquired an amount proportionate to the contribution in money, land or material made directly by any province or commune or other autonomous local authority towards the cost of such property.

Without prejudice to Article 203 (*H. 186*) relating to secured Debt, in the case of each State acquiring property under the provisions of this Article, the amount placed to the credit of Austria and to the debit of the said State in accordance with the preceding paragraph shall be reduced by the value of the amount of the liability in respect of the unsecured Debt of the former Austrian Government assumed by that State under the provisions of Article 203 (*H. 186*) which, in the opinion of the Reparation Commission, represents expenditure upon the property so acquired. The value shall be fixed by the Reparation Commission on such basis as the Commission may consider equitable.

Property of the former and existing Austrian Governments (*H. Government*) shall be deemed to include a share of the real property in Bosnia-Herzegovina of all descriptions for which, under Article 5 of the Convention of February 26, 1909, the Government of the former Austro-Hungarian Monarchy paid £T. 2,500,000 to the Ottoman Government. Such share shall be proportionate to the share which the former Austrian Empire contributed to the above payment, and the value of this share, as assessed by the Reparation Commission, shall be credited to Austria on account of reparation.

As exception to the above, there shall be transferred without payment :

(1) the property and possessions of provinces, communes, and other local autonomous institutions of the former Austro-Hungarian Monarchy, including those in Bosnia-Herzegovina which did not belong to the former Austro-Hungarian Monarchy ;

(2) schools and hospitals the property of the former Austro-Hungarian Monarchy ;

(3) forests which belonged to the former Kingdom of Poland.

Further, any building or other property situated in the respective territories transferred to the States referred to in the first paragraph whose principal value lies in its historic interest and associations, and which formerly belonged to the Kingdom of Bohemia, the Kingdom of Poland, the Kingdom of Croatia-Slavonia-Dalmatia, Bosnia-Herzegovina, the Republic of Ragusa, the Venetian Republic or the Episcopal Principalities of Trient and Bressanone, may, subject to the approval of the Reparation Commission, be transferred to the Government entitled thereto without payment.

ARTICLE 209. (II. 192.)

Austria renounces, so far as she is concerned, all rights accorded to her or her nationals by treaties, conventions or agreements, of whatsoever kind, to representation upon or participation in the control or administration of commissions, State banks, agencies or other financial or economic organisations of an international character exercising powers of control or administration and operating in any of the Allied or Associated States, or in Germany, Hungary (*II. Austria*), Bulgaria or Turkey, or in the dependencies of these States, or in the former Russian Empire.

ARTICLE 210. (II. 193.)

1. The Austrian Government agrees to deliver within one month from the coming into force of the present Treaty to such authority as the Principal Allied and Associated Powers may designate the sum in gold deposited in the Austro-Hungarian Bank in the name of the Council of the Administration of the Ottoman Public Debt as security for the first issue of Turkish Government currency notes.

(*H. 1. Hungary engages to recognise the transfer provided for in Article 210 of the Treaty with Austria of the sum in gold deposited in the Austro-Hungarian Bank in the name of the Council of the Administration of the Ottoman Public Debt as security for the first issue of Turkish Government currency notes.*)

2. Without prejudice to Article 244 (*H. 227*), Part X (Economic Clauses), of the present Treaty, Austria renounces, so far as she is concerned, any benefit disclosed by the Treaties of Bucharest, and Brest-Litovsk, and by the Treaties supplementary thereto.

Austria undertakes to transfer either to Roumania or to the Principal Allied and Associated Powers, as the case may be, all monetary instruments, specie, securities and negotiable instruments or goods which she has received under the aforesaid treaties.

3. The sums of money and all securities, instruments and goods, of whatsoever nature, to be delivered, paid or transferred under the provisions of this Article, shall be disposed of by the Principal Allied and Associated Powers in a manner hereafter to be determined by those Powers.

4. Austria recognises any transfer of gold provided for by Article 259 (5) of the Treaty of Peace concluded at Versailles on June 28, 1919, between the Allied and Associated Powers and Germany, and any transfer of claims provided for by Article 261 of that Treaty.

ARTICLE 211. (II. 194.)

Without prejudice to the renunciation of any rights by Austria on behalf of herself or of her nationals in the other provisions of the present Treaty, the Reparation Commission may, within one year from the coming into force of the present Treaty, demand that Austria become possessed of any rights and interests of her nationals in any public utility undertaking or in any concession operating in Russia, Turkey, Germany, Hungary (*H. Austria*) or Bulgaria, or in the possessions or dependencies of these States, or in any territory formerly belonging to Austria or her allies to be transferred by Austria or her allies to any State, or to be administered by a mandatory

under any Treaty entered into with the Allied and Associated Powers, and may require that the Austrian Government transfer, within six months of the date of demand, to the Reparation Commission all such rights and interests and any similar rights and interests owned by the former or existing Austrian Government.

Austria shall be responsible for indemnifying her nationals so dispossessed, and the Reparation Commission shall credit Austria, on account of sums due for reparation, with such sums in respect of the value of the transferred rights and interests as may be assessed by the Reparation Commission, and Austria shall, within six months from the coming into force of the present Treaty, communicate to the Reparation Commission all such rights and interests, whether already granted, contingent or not yet exercised, and shall renounce on behalf of herself and her nationals in favour of the Allied and Associated Powers all such rights and interests which have not been so communicated.

ARTICLE 212. (*H. 195.*)

Austria undertakes to refrain from preventing or impeding such acquisition by the German, **Hungarian** (*H. Austrian*), Bulgarian or Turkish Governments of any rights and interests of German, **Hungarian** (*H. Austrian*), Bulgarian or (*H. and*) Turkish nationals in public utility undertakings or concessions operating in Austria as may be required by the Reparation Commission under the terms of the Treaties of Peace or supplementary treaties or conventions concluded between the Allied and Associated Powers and the German, **Hungarian** (*H. Austrian*), Bulgarian or (*H. and*) Turkish Governments respectively.

ARTICLE 213. (*H. 196.*)

Austria undertakes to transfer to the Allied and Associated Powers all (*H. any*) claims in favour of the former or existing Austrian Governments to payment or reparation by the Governments of Germany, **Hungary** (*H. Austria*), Bulgaria or Turkey (*H. in favour of the former or existing Hungarian Governments*), and in particular all (*H. any*) claims which may arise now or hereafter in the fulfilment of undertakings made **after** (*H. from*) July 28, 1914, until (*H. to*) the coming into force of the present Treaty.

The value of such claims shall be assessed by the Reparation Commission, and shall be transferred to the Reparation Commission for the credit of Austria on account of the sums due for reparation.

ARTICLE 214. (*H. 197.*)

Any monetary obligation arising out of the present Treaty and expressed in terms of gold kronen shall, unless some other arrangement is specifically provided for in any particular case under the terms of this (*H. the present*) Treaty or of treaties or conventions supplementary thereto, be payable at the option of the creditors in pounds sterling payable in London, gold dollars of the United States of America payable in New York, gold francs payable in Paris, or gold lire payable in Rome.

For the purposes of this Article, the gold coins mentioned above shall be defined as being of the weight and fineness of gold as enacted by law on January 1, 1914.

ARTICLE 215. (*H. 198.*)

Any financial adjustments, such as those relating to any banking and insurance companies, savings banks, postal savings banks, land banks, mortgage companies or other similar institutions, operating within the territory of the former Austro-Hungarian Monarchy, necessitated by the partition of that Monarchy and the resettlement of public debts and currency provided for by these Articles, shall be regulated by agreement between the various Governments concerned in such a manner as shall best secure equitable

treatment to all the parties interested. In case the Governments concerned are unable to come to an agreement on any question arising out of this financial adjustment, or in case any Government is of opinion that its nationals have not received equitable treatment, the Reparation Commission shall, on the application of any one of the Governments concerned, appoint an arbitrator or arbitrators, whose decision shall be final.

ARTICLE 216. (*H. 199.*)

The (*H. Hungarian*) Government of Austria shall be under no liability in respect of civil or military pensions granted to nationals of the former Austrian Empire who have been recognised as nationals of other States or who become so under the provisions of the present Treaty.

PART X.—ECONOMIC CLAUSES

SECTION I.—COMMERCIAL RELATIONS

Chapter I.—*Customs Regulations, Duties and Restrictions.*

ARTICLE 217. (*H. 200.*)

Austria undertakes that goods the produce or manufacture of any one of the Allied or Associated States imported into Austrian territory, from whatsoever place arriving, shall not be subjected to other or higher duties or charges (including internal charges) than those to which the like goods the produce or manufacture of any other such State or of any other foreign country are subject.

Austria will not maintain or impose any prohibition or restriction on the importation into Austrian territory of any goods the produce or manufacture of the territories of any one of the Allied or Associated States, from whatsoever place arriving, which shall not equally extend to the importation of the like goods the produce or manufacture of any other such State or of any other foreign country.

ARTICLE 218. (*H. 201.*)

Austria further undertakes that, in the matter of the régime applicable on importation, no discrimination against the commerce of any of the Allied and Associated States as compared with any other of the said States or any other foreign country shall be made, even by indirect means, such as customs regulations or procedure, methods of verification or analysis, conditions of payment of duties, tariff classification or interpretation, or the operation of monopolies.

ARTICLE 219. (*H. 202.*)

In all that concerns exportation, Austria undertakes that goods, natural products or manufactured articles, exported from Austrian territory to the territories of any one of the Allied or Associated States, shall not be subjected to other or higher duties or charges (including internal charges) than those paid on the like goods exported to any other such State or to any other foreign country.

Austria will not maintain or impose any prohibition or restriction on the exportation of any goods sent from her territory to any one of the Allied or Associated States which shall not equally extend to the exportation of the like goods, natural products or manufactured articles, sent to any other such State or to any other foreign country.

ARTICLE 220. (*H. 203.*)

Every favour, immunity or privilege in regard to the importation, exportation or transit of goods granted by Austria to any Allied or Associated

State or to any other foreign country whatever shall simultaneously and unconditionally, without request and without compensation, be extended to all the Allied and Associated States.

ARTICLE 221. (*H. 204.*)

By way of exception to the provisions of Article 286 (*H. 270*), Part XII (Ports, Waterways and Railways), products in transit by the ports which before the war were situated in territory of the former Austro-Hungarian Monarchy shall, for a period of three years from the coming into force of the present Treaty, enjoy on importation into Austria reductions of duty corresponding with and in proportion to those applied to such products under the Austro-Hungarian Customs Tariff of February 13 (*H. the year*), 1906, when imported by such ports.

ARTICLE 222. (*H. 205.*)

Notwithstanding the provisions of Articles 217 to 220 (*H. 200 to 203*), the Allied and Associated Powers agree that they will not invoke these provisions to secure the advantage of any arrangements which may be made by the Austrian Government with the Governments of Hungary (*H. Austria*) or of the Czecho-Slovak State for the accord of a special customs régime to certain natural or manufactured products which both originate in and come from those countries, and which shall be specified in the arrangements, provided that the duration of these arrangements does not exceed a period of five years from the coming into force of the present Treaty.

ARTICLE 223. (*H. 206.*)

During the first six months after the coming into force of the present Treaty, the duties imposed by Austria on imports from Allied and Associated States shall not be higher than the most favourable duties which were applied to imports into the former Austro-Hungarian Monarchy on July 28, 1914.

During a further period of thirty months after the expiration of the first six months this provision shall continue to be applied exclusively with regard to the importation of fruits (fresh and dried), fresh vegetables, olive oil, eggs, pigs and pork products, and live poultry, in so far as such products enjoyed at the above-mentioned date (July 28, 1914) rates conventionalised by Treaties with the Allied or Associated Powers.

ARTICLE 224. (*For H. 207 see below.*)

(1.) The Czecho-Slovak State and Poland undertake that for a period of fifteen years from the coming into force of the present Treaty they will not impose on the exportation to Austria of the products of coal mines in their territories any export duties or other charges or restrictions on exportation different from or more onerous than those imposed on such exportation to any other country.

(2.) Special agreements shall be made between the Czecho-Slovak State and Poland and Austria as to the supply of coal and of raw materials reciprocally.

(3.) Pending the conclusion of such agreements, but in no case during more than three years from the coming into force of the present Treaty, the Czecho-Slovak State and Poland undertake that no export duty or other restrictions of any kind shall be imposed on the export to Austria of coal or lignite up to a reasonable quantity to be fixed, failing agreement between the States concerned, by the Reparation Commission. In fixing this quantity the Reparation Commission shall take into account all the circumstances, including the quantities both of coal and of lignite supplied before the war to present Austrian territory from Upper Silesia and from the territory of the former Austrian Empire transferred to the Czecho-Slovak State and Poland in accordance with the present Treaty, and the quantities now

available for export from those countries. Austria shall in return furnish to the Czecho-Slovak State and Poland supplies of the raw materials referred to in paragraph (2) in accordance with the decisions of the Reparation Commission.

(4.) The Czecho-Slovak State and Poland further undertake during the same period to take such steps as may be necessary to ensure that any such products shall be available for sale to purchasers in Austria on terms as favourable as are applicable to like products sold under similar conditions to purchasers in the Czecho-Slovak State or Poland respectively or in any other country.

(5.) In case of disagreement in the execution or interpretation of any of the above provisions the Reparation Commission shall decide.

(H. Article 207.)

1. *Special agreements shall be made between Poland and the Czecho-Slovak State and Hungary as to the supply of coal, including lignite, foodstuffs and raw materials reciprocally.*

2. *Pending the conclusion of such agreements, but in no case during more than five years from the coming into force of the present Treaty, the Czecho-Slovak State and Poland undertake that no export duty or other restrictions of any kind shall be imposed on the export to Hungary of coal or lignite up to a reasonable quantity to be fixed, failing agreement between the States concerned, by the Reparation Commission. In fixing this quantity the Reparation Commission shall take into account all the circumstances, including the quantities both of coal and of lignite which passed before the war between present Hungarian territory on the one hand and Silesia and the territory of the former Austrian Empire transferred to the Czecho-Slovak State and Poland in accordance with the Treaties of Peace on the other hand, as well as the quantities now available for export from those countries. Hungary shall in return furnish to the Czecho-Slovak State and Poland supplies of the lignite, foodstuffs and raw materials referred to in paragraph 1 in accordance with the decisions of the Reparation Commission.*

3. *The Czecho-Slovak State and Poland further undertake during the same period to take such steps as may be necessary to ensure that coal, including lignite, shall be available for sale to purchasers in Hungary on terms as favourable as are applicable to like products sold under similar conditions to purchasers in the Czecho-Slovak State or Poland respectively or in any other country.*

4. *The provisions of paragraphs 2 and 3 prohibiting export duties or restrictions and determining the conditions of sale shall also apply to the supply of lignite by Hungary to Poland and the Czecho-Slovak State.*

5. *In case of disagreement in the execution or interpretation of any of the above provisions, the Reparation Commission shall decide.*

6. *In order to permit mutual assistance between Poland, Roumania, the Serb-Croat-Slovene State, Czecho-Slovakia, Hungary and Austria, in regard to products hitherto exchanged between the territories of these States, which are indispensable to their industry or trade, negotiations shall be undertaken, on the initiative of any of these States, within six months from the coming into force of the present Treaty with a view to the conclusion with any other of the said States of separate conventions in conformity with the provisions of the present Treaty, and in particular of Articles 200 to 205.*

At the end of this period any State which has requested such a convention without succeeding in concluding it may apply to the Reparation Commission and request it to accelerate the conclusion of such convention.

(H. Article 208.) (Not in A.)

1. *Special agreements shall be made between Hungary and Austria as to the supply of foodstuffs, raw materials and manufactured articles reciprocally.*

2. *Pending the conclusion of such agreements, but in no case during more*

than five years from the coming into force of the present Treaty, Hungary undertakes that no export duty or other restrictions of any kind shall be imposed on the export to Austria of foodstuffs of every description produced in Hungarian territory, up to a reasonable quantity to be fixed, failing agreement between the States concerned, by the Reparation Commission. In fixing this quantity, the Reparation Commission shall take into account all the circumstances, and in particular the production and requirements of the two countries concerned. Austria shall in return furnish to Hungary supplies of the raw materials and manufactured articles referred to in paragraph 1 in accordance with the decisions of the Reparation Commission.

3. Hungary further undertakes during the same period to take such steps as may be necessary to ensure that any such products shall be available for sale to purchasers in Austria on terms as favourable as are applicable to like products sold under similar conditions to purchasers in Hungary or in any other country.

4. In case of disagreement in the execution or interpretation of any of the above provisions the Reparation Commission shall decide.

Chapter II.—Shipping.

ARTICLE 225. (H. 209.)

The High Contracting Parties agree to recognise the flag flown by the vessels of any Contracting Party having no sea-coast, which are registered at some one specified place situated in its territory ; such place shall serve as the port of registry of such vessels.

Chapter III.—Unfair Competition.

ARTICLE 226. (H. 210 includes Art. 226–7.)

(H. 1.) Austria undertakes to adopt all the necessary legislative and administrative measures to protect goods the produce or manufacture of any one of the Allied and Associated Powers from all forms of unfair competition in commercial transactions.

Austria undertakes to prohibit and repress by seizure and by other appropriate remedies the importation, exportation, manufacture, distribution, sale or offering for sale in her territory of all goods bearing upon themselves or their usual get-up or wrappings any marks, names, devices or descriptions whatsoever which are calculated to convey directly or indirectly a false indication of the origin, type, nature or special characteristics of such goods.

ARTICLE 227. (3rd par. H. 210.)

(H. 2.) Austria undertakes, on condition that reciprocity is accorded in these matters, to respect any law, or any administrative or judicial decision given in conformity with such law, in force in any Allied or Associated State and duly communicated to her by the proper authorities, defining or regulating the right to any regional appellation in respect of wine or spirits produced in the State to which the region belongs or the conditions under which the use of any such appellation may be permitted ; and the importation, exportation, manufacture, distribution, sale or offering for sale of products or articles bearing regional appellations inconsistent with such law or order shall be prohibited by the Austrian Government (H. Hungary) and repressed by the measures prescribed in the preceding Article (H. paragraph 1 of this Article).

Chapter IV.—Treatment of Nationals of Allied and Associated Powers.

ARTICLE 228. (H. 211.)

Austria undertakes :

(a) not to subject the nationals of the Allied and Associated Powers to any prohibition in regard to the exercise of occupations, professions, trade

and industry, which shall not be equally applicable to all aliens without exception ;

(b) not to subject the nationals of the Allied and Associated Powers in regard to the rights referred to in paragraph (a) to any regulation or restriction which might contravene directly or indirectly the stipulations of the said paragraph, or which shall be other or more disadvantageous than those which are applicable to nationals of the most favoured nation ;

(c) not to subject the nationals of the Allied and Associated Powers, their property, rights or interests, including companies and associations in which they are interested, to any charge, tax or impost, direct or indirect, other or higher than those which are or may be imposed on her own nationals or their property, rights or interests ;

(d) not to subject the nationals of any one of the Allied and Associated Powers to any restriction which was not applicable on July 1, 1914, to the nationals of such Powers unless such restriction is likewise imposed on her own nationals.

ARTICLE 229. (*H. 212.*)

The nationals of the Allied and Associated Powers shall enjoy in Austrian territory a constant protection for their persons and for their property, rights and interests, and shall have free access to the courts of law.

ARTICLE 230. (*H. 213.*)

Austria undertakes to recognise any new nationality which has been or may be acquired by her nationals under the laws of the Allied and Associated Powers, and in accordance with the decisions of the competent authorities of these Powers pursuant to naturalisation laws or under treaty stipulations, and to regard such persons as having, in consequence of the acquisition of such new nationality, in all respects severed their allegiance to their country of origin.

ARTICLE 231. (*H. 214.*)

The Allied and Associated Powers may appoint consuls-general, consuls, vice-consuls and consular agents in Austrian towns and ports. Austria undertakes to approve the designation of the consuls-general, consuls, vice-consuls and consular agents, whose names shall be notified to her, and to admit them to the exercise of their functions in conformity with the usual rules and customs.

Chapter V.—*General Articles.*

ARTICLE 232. (*H. 215.*)

The obligations imposed on Austria by Chapter I above shall cease to have effect five years from the date of the coming into force of the present Treaty, unless otherwise provided in the text, or unless the Council of the League of Nations shall, at least twelve months before the expiration of that period, decide that these obligations shall be maintained for a further period with or without amendment.

Nevertheless it is agreed that unless the League of Nations decides otherwise an Allied or Associated Power shall not after the expiration of three years from the coming into force of the present Treaty be entitled to require the fulfilment by Austria of the provisions of Articles 217, 218, 219 or 220 (*H. 200, 201, 202 or 203*) unless that Power accords correlative treatment to Austria.

Article 228 (*H. 211*) shall remain in operation, with or without amendment, after the period of five years for such further period, if any, not exceeding five years, as may be determined by a majority of the Council of the League of Nations.

252 AUSTRIAN AND HUNGARIAN TREATIES

ARTICLE 233. (H. 216.)

If the Austrian Government engages in international trade, it shall not in respect thereof have or be deemed to have any rights, privileges or immunities of sovereignty.

SECTION II.—TREATIES

ARTICLE 234. (H. 217.)

From the coming into force of the present Treaty and subject to the provisions thereof the multilateral Treaties, Conventions and Agreements of an economic or technical character concluded by the former Austro-Hungarian Monarchy and enumerated below and in the subsequent Articles shall alone be applied as between Austria and those of the Allied and Associated Powers party thereto :

(1.) Conventions of March 14, 1884, December 1, 1886, and March 23, 1887, and Final Protocol of July 7, 1887, regarding the protection of submarine cables.

(2.) Convention of October 11, 1909, regarding the international circulation of motor-cars.

(3.) Agreement of May 15, 1886, regarding the sealing of railway trucks subject to customs inspection, and Protocol of May 18, 1907.

(4.) Agreement of May 15, 1886, regarding the technical standardisation of railways.

(5.) Convention of July 5, 1890, regarding the publication of customs tariffs and the organisation of an International Union for the publication of customs tariffs.

(6.) Convention of April 25, 1907, regarding the raising of the Turkish customs tariff.

(7.) Convention of March 14, 1857, for the redemption of Toll dues on the Sound and Belts.

(8.) Convention of June 22, 1861, for the redemption of the Stade Toll on the Elbe.

(9.) Convention of July 16, 1863, for the redemption of the Toll dues on the Scheldt.

(10.) Convention of October 29, 1888, regarding the establishment of a definite arrangement guaranteeing the free use of the Suez Canal.

(11.) Convention of September 23, 1910, respecting the unification of certain regulations regarding collisions and salvage at sea.

(12.) Convention of December 21, 1904, regarding the exemption of hospital ships from dues and charges in port.

(13.) Convention of September 26, 1906, for the suppression of nightwork for women.

(14.) Conventions of May 18, 1904, and May 4, 1910, regarding the suppression of the White Slave Traffic.

(15.) Convention of May 4, 1910, regarding the suppression of obscene publications.

(16.) Sanitary Convention of December 3, 1903, and the preceding Conventions signed on January 30, 1892, April 15, 1893, April 3, 1894, and March 19, 1897.

(17.) Convention of May 20, 1875, regarding the unification and improvement of the metric system.

(18.) Convention of November 29, 1906, regarding the unification of pharmacopœial formulæ for potent drugs.

(19.) Conventions of November 16 and 19, 1885, regarding the establishment of a concert pitch.

(20.) Convention of June 7, 1905, regarding the creation of an International Agricultural Institute at Rome.

(21.) Conventions of November 3, 1881, and April 15, 1880, regarding precautionary measures against phylloxera.

(22.) Convention of March 19, 1902, regarding the protection of birds useful to agriculture.

(23.) Convention of June 12, 1902, regarding the guardianship of minors.

ARTICLE 235. (H. 218.)

From the coming into force of the present Treaty the High Contracting Parties shall apply the conventions and agreements hereinafter mentioned, in so far as concerns them, Austria undertaking to comply with the special stipulations contained in this Article.

Postal Conventions :

Conventions and agreements of the Universal Postal Union concluded at Vienna, July 4, 1891.

Conventions and agreements of the Postal Union signed at Washington, June 15, 1897.

Conventions and agreements of the Postal Union signed at Rome, May 26, 1906.

Telegraphic Conventions :

International Telegraphic Conventions signed at St. Petersburg, July 10/22, 1875.

Regulations and Tariffs drawn up by the International Telegraphic Conference, Lisbon, June 11, 1908.

Austria undertakes not to refuse her assent to the conclusion by the new States of the special arrangements referred to in the Conventions and Agreements relating to the Universal Postal Union and to the International Telegraphic Union, to which the said new States have adhered or may adhere.

ARTICLE 236. (H. 219.)

From the coming into force of the present Treaty the High Contracting Parties shall apply, in so far as concerns them, the International Radio-Telegraphic Convention of July 5, 1912, Austria undertaking to comply with the provisional regulations which will be indicated to her by the Allied and Associated Powers.

If within five years after the coming into force of the present Treaty a new convention regulating international radio-telegraphic communications should have been concluded to take the place of the Convention of July 5, 1912, this new convention shall bind Austria, even if Austria should refuse either to take part in drawing up the convention, or to subscribe thereto.

This new convention will likewise replace the provisional regulations in force.

ARTICLE 237. (H. 220.)

The International Convention of Paris of March 20, 1883, for the protection of industrial property, revised at Washington on June 2, 1911, and the Agreement of April 14, 1891, concerning the international registration of trade marks shall be applied as from the coming into force of the present Treaty, in so far as they are not affected or modified by the exceptions and restrictions resulting therefrom.

ARTICLE 238. (H. 221.)

From the coming into force of the present Treaty the High Contracting Parties shall apply, in so far as concerns them, the Convention of the Hague of July 17, 1905, relating to civil procedure. This provision, however, will not apply to France, Portugal and Roumania.

ARTICLE 239. (H. 222.)

Austria undertakes, within twelve months of the coming into force of the present Treaty, to adhere in the prescribed form to the International

Convention of Berne of September 9, 1886, for the protection of literary and artistic works, revised at Berlin on November 13, 1908, and completed by the additional Protocol signed at Berne on March 20, 1914, relating to the protection of literary and artistic works.

Until her adherence, Austria undertakes to recognise and protect by effective measures and in accordance with the principles of the said Convention the literary and artistic works of nationals of the Allied and Associated Powers.

In addition, and irrespective of the above-mentioned adherence, Austria undertakes to continue to assure such recognition and such protection to all literary and artistic works of the nationals of each of the Allied and Associated Powers to an extent at least as great as upon July 28, 1914, and upon the same conditions.

ARTICLE 240. (*H. 223.*)

Austria undertakes to adhere to the following Conventions :

(1.) Convention of September 26, 1906, for the suppression of the use of white phosphorus in the manufacture of matches.

(2.) Convention of December 31, 1913, regarding the unification of commercial statistics.

ARTICLE 241. (*H. 224.*)

Each of the Allied or Associated Powers, being guided by the general principles or special provisions of the present Treaty, shall notify to Austria the bilateral agreements of all kinds which were in force between her and the former Austro-Hungarian Monarchy, and which she wishes should be in force as between her and Austria.

The notification referred to in the present Article shall be made either directly or through the intermediary of another Power. Receipt thereof shall be acknowledged in writing by Austria. The date of the coming into force shall be that of the notification.

The Allied and Associated Powers undertake among themselves not to apply, as between themselves and Austria, any agreements which are not in accordance with the terms of the present Treaty.

The notification shall mention any provisions of the said agreements which, not being in accordance with the terms of the present Treaty, shall not be considered as coming into force.

In case of any difference of opinion, the League of Nations will be called on to decide.

A period of six months from the coming into force of the present Treaty is allowed to the Allied and Associated Powers within which to make the notification.

Only those bilateral agreements which have been the subject of such a notification shall be put in force between the Allied and Associated Powers and Austria.

The above rules apply to all bilateral agreements existing between any Allied and Associated Powers signatories to the present Treaty and Austria, even if the said Allied and Associated Powers have not been in a state of war with Austria.

ARTICLE 242. (*H. 225.*)

Austria hereby recognises that all treaties, conventions or agreements concluded by her, or by the former Austro-Hungarian Monarchy, with Germany, Hungary (*H. Austria*), Bulgaria or Turkey since August 1, 1914, until the coming into force of the present Treaty are of no effect.

ARTICLE 243. (*H. 226.*)

Austria undertakes to secure to the Allied and Associated Powers, and to the officials and nationals of the said Powers, the enjoyment of all the rights

and advantages of any kind which she, or the former Austro-Hungarian Monarchy, may have granted to Germany, Hungary (*H. Austria*), Bulgaria or Turkey, or to the officials and nationals of these States by treaties, conventions or arrangements concluded before August 1, 1914, so long as those treaties, conventions or arrangements are in force.

The Allied and Associated Powers reserve the right to accept or not the enjoyment of these rights and advantages.

ARTICLE 244. (*H. 227.*)

Austria recognises that all treaties, conventions or arrangements which she, or the former Austro-Hungarian Monarchy, concluded with Russia, or with any State or Government of which the territory previously formed a part of Russia, or with Roumania, before July 28, 1914, or after that date until the coming into force of the present Treaty, are of no effect.

ARTICLE 245. (*H. 228.*)

Should an Allied or Associated Power, Russia, or a State or Government of which the territory formerly constituted a part of Russia, have been forced since July 28, 1914, by reason of military occupation or by any other means or for any other cause, to grant or to allow to be granted by the act of any public authority, concessions, privileges and favours of any kind to the former Austro-Hungarian Monarchy or to Austria or to an Austrian national, such concessions, privileges and favours are *ipso facto* annulled by the present Treaty.

No claims or indemnities which may result from this annulment shall be charged against the Allied or Associated Powers or the Powers, States, Governments or public authorities which are released from their engagements by the present Article.

ARTICLE 246. (*H. 229.*)

From the coming into force of the present Treaty, Austria undertakes, so far as she is concerned, to give the Allied and Associated Powers and their nationals the benefit *ipso facto* of the rights and advantages of any kind which she or the former Austro-Hungarian Monarchy has granted by treaties, conventions or arrangements to non-belligerent States or their nationals since July 28, 1914, until the coming into force of the present Treaty, so long as those treaties, conventions or arrangements are in force for Austria.

ARTICLE 247. (*H. 230.*)

Those of the High Contracting Parties who have not yet signed, or who have signed but not yet ratified, the Opium Convention signed at The Hague on January 23, 1912, agree to bring the said Convention into force, and for this purpose to enact the necessary legislation without delay and, in any case, within a period of twelve months from the coming into force of the present Treaty.

Furthermore, they agree that ratification of the present Treaty should, in the case of Powers which have not yet ratified the Opium Convention, be deemed in all respects equivalent to the ratification of that Convention and to the signature of the Special Protocol which was opened at The Hague in accordance with the resolutions adopted by the Third Opium Conference in 1914 for bringing the said Convention into force.

For this purpose the Government of the French Republic will communicate to the Government of the Netherlands a certified copy of the protocol of the deposit of ratifications of the present Treaty, and will invite the Government of the Netherlands to accept and deposit the said certified copy as if it were a deposit of ratifications of the Opium Convention and a signature of the Additional Protocol of 1914.

SECTION III.—DEBTS.

ARTICLE 248. (*H. 231.*)

There shall be settled, through the intervention of Clearing Offices to be established by each of the High Contracting Parties within three months of the notification referred to in paragraph (e) hereafter, the following classes of pecuniary obligations :—

(1.) Debts payable before the war and due by a national of one of the Contracting Powers, residing within its territory, to a national of an Opposing Power, residing within its territory ;

(2.) Debts which became payable during the war to nationals of one Contracting Power residing within its territory and arose out of transactions or contracts with the nationals of an Opposing Power, resident within its territory, of which the total or partial execution was suspended on account of the existence of a state of war ;

(3.) Interest which has accrued due before and during the war to a national of one of the Contracting Powers in respect of securities issued or taken over by an Opposing Power, provided that the payment of interest on such securities to the nationals of that Power or to neutrals has not been suspended during the war ;

(4.) Capital sums which have become payable before and during the war to nationals of one of the Contracting Powers in respect of securities issued by one of the Opposing Powers, provided that the payment of such capital sums to nationals of that Power or to neutrals has not been suspended during the war.

In the case of interest or capital sums payable in respect of securities issued or taken over by the former Austro-Hungarian Government, the amount to be credited and paid by Austria will be the interest or capital in respect only of the debt for which Austria is liable in accordance with Part IX (Financial Clauses) of the present Treaty, and the principles laid down by the Reparation Commission.

The proceeds of liquidation of enemy property, rights, and interests mentioned in Section IV and in the Annex thereto will be accounted for through the Clearing Offices, in the currency and at the rate of exchange hereinafter provided for in paragraph (d), and disposed of by them under the conditions provided by the said Section and Annex.

The settlements provided for in this Article shall be effected according to the following principles and in accordance with the Annex to this Section :—

(a.) Each of the High Contracting Parties shall prohibit, as from the coming into force of the present Treaty, both the payment and the acceptance of payment of such debts, and also all communications between the interested parties with regard to the settlement of the said debts otherwise than through the Clearing Offices ;

(b.) Each of the High Contracting Parties shall be respectively responsible for the payment of such debts due by its nationals, except in the cases where before the war the debtor was in a state of bankruptcy or failure, or had given formal indication of insolvency, or where the debt was due by a company whose business has been liquidated under emergency legislation during the war ;

(c.) The sums due to the nationals of one of the High Contracting Parties by the nationals of an Opposing State will be debited to the Clearing Office of the country of the debtor, and paid to the creditor by the Clearing Office of the country of the creditor ;

(d.) Debts shall be paid or credited in the currency of such one of the Allied and Associated Powers, their colonies or protectorates, or the British Dominions or India, as may be concerned. If the debts are payable in some other currency, they shall be paid or credited in the currency of the country

concerned, whether an Allied or Associated Power, Colony, Protectorate, British Dominion, or India, at the pre-war rate of exchange.

For the purpose of this provision, the pre-war rate of exchange shall be defined as the average cable transfer rate prevailing in the Allied or Associated country concerned during the month immediately preceding the outbreak of war between the said country concerned and Austria-Hungary.

If a contract provides for a fixed rate of exchange governing the conversion of the currency in which the debt is stated into the currency of the Allied or Associated country concerned, then the above provisions concerning the rate of exchange shall not apply.

In the case of the new States of Poland and the Czecho-Slovak State, the currency in which and the rate of exchange at which debts shall be paid or credited shall be determined by the Reparation Commission provided for in Part VIII, unless they shall have been previously settled by agreement between the States interested;

(e.) The provisions of this Article and of the Annex hereto shall not apply as between Austria, on the one hand, and any one of the Allied and Associated Powers, their colonies or protectorates, or any one of the British Dominions or India, on the other hand, unless within a period of one month from the deposit of the ratification of the present Treaty by the Power in question, or of the ratification on behalf of such Dominion or of India, notice to that effect is given to Austria by the Government of such Allied or Associated Power or of such Dominion or of India as the case may be;

(f.) The Allied and Associated Powers which have adopted this Article and the Annex hereto may agree between themselves to apply them to their respective nationals established in their territory so far as regards matters between their nationals and Austrian nationals. In this case the payments made by application of this provision will be subject to arrangements between the Allied and Associated Clearing Offices concerned.

ANNEX. (*Also in H.*)

1.

Each of the High Contracting Parties will, within three months from the notification provided for in Article 248 (*H. 231*), paragraph (e), establish a Clearing Office for the collection and payment of enemy debts.

Local Clearing Offices may be established for any particular portion of the territories of the High Contracting Parties. Such local Clearing Offices may perform all the functions of a central Clearing Office in their respective districts, except that all transactions with the Clearing Office in the Opposing State must be effected through the central Clearing Office.

2.

In this Annex the pecuniary obligations referred to in the first paragraph of Article 248 (*H. 231*) are described as "enemy debts," the persons from whom the same are due as "enemy debtors," the persons to whom they are due as "enemy creditors," the Clearing Office in the country of the creditor is called the "Creditor Clearing Office," and the Clearing Office in the country of the debtor is called the "Debtor Clearing Office."

3. (*for H. 3 see below.*)

The High Contracting Parties will subject contraventions of paragraph (a) of Article 248 to the same penalties as are at present provided by their legislation for trading with the enemy. They will similarly prohibit within their territory all legal process relating to payment of enemy debts, except in accordance with the provisions of this Annex.

(H. 3.)

The High Contracting Parties will subject contraventions of paragraph (a) of Article 231 to the same penalties as are at present provided by their legislation for trading with the enemy. Those who have not prohibited trading with the enemy will enact provisions punishing the above-mentioned contraventions with severe penalties. The High Contracting Parties will similarly prohibit within their territory all legal process relating to payment of enemy debts, except in accordance with the provisions of this Annex.

4.

The Government guarantee specified in paragraph (b) of Article 248 (H. 231) shall take effect whenever, for any reason, a debt shall not be recoverable, except in a case where at the date of the outbreak of war the debt was barred by the laws of prescription in force in the country of the debtor, or where the debtor was at that time in a state of bankruptcy or failure or had given formal indication of insolvency, or where the debt was due by a company whose business has been liquidated under emergency legislation during the war. In such case the procedure specified by this Annex shall apply to payment of the dividends.

The terms "bankruptcy" and "failure" refer to the application of legislation providing for such juridical conditions. The expression "formal indication of insolvency" bears the same meaning as it has in English law.

5.

Creditors shall give notice to the Creditor Clearing Office within six months of its establishment of debts due to them, and shall furnish the Clearing Office with any documents and information required of them.

The High Contracting Parties will take all suitable measures to trace and punish collusion between enemy creditors and debtors. The Clearing Offices will communicate to one another any evidence and information which might help the discovery and punishment of such collusion.

The High Contracting Parties will facilitate as much as possible postal and telegraphic communication at the expense of the parties concerned and through the intervention of the Clearing Offices between debtors and creditors desirous of coming to an agreement as to the amount of their debt.

The Creditor Clearing Office will notify the Debtor Clearing Office of all debts declared to it. The Debtor Clearing Office will, in due course, inform the Creditor Clearing Office which debts are admitted and which debts are contested. In the latter case, the Debtor Clearing Office will give the grounds for the non-admission of debt.

6.

When a debt has been admitted, in whole or in part, the Debtor Clearing Office will at once credit the Creditor Clearing Office with the amount admitted, and at the same time notify it of such credit.

7.

The debt shall be deemed to be admitted in full and shall be credited forthwith to the Creditor Clearing Office unless within three months from the receipt of the notification, or such longer time as may be agreed to by the Creditor Clearing Office, notice has been given by the Debtor Clearing Office that it is not admitted.

8.

When the whole or part of a debt is not admitted the two Clearing Offices will examine into the matter jointly and will endeavour to bring the parties to an agreement.

9.

The Creditor Clearing Office will pay to the individual creditor the sums credited to it out of the funds placed at its disposal by the Government of its country and in accordance with the conditions fixed by the said Government, retaining any sums considered necessary to cover risks, expenses or commissions.

10.

Any person having claimed payment of an enemy debt which is not admitted in whole or in part shall pay to the Clearing Office, by way of fine, interest at 5 per cent. on the part not admitted. Any person having unduly refused to admit the whole or part of a debt claimed from him shall pay, by way of fine, interest at 5 per cent. on the amount with regard to which his refusal shall be disallowed.

Such interest shall run from the date of expiration of the period provided for in paragraph 7 until the date on which the claim shall have been disallowed or the debt paid.

Each Clearing Office shall, in so far as it is concerned, take steps to collect the fines above provided for, and will be responsible if such fines cannot be collected.

The fines will be credited to the other Clearing Office, which shall retain them as a contribution towards the cost of carrying out the present provisions.

11.

The balance between the Clearing Offices shall be struck **monthly** (*H. every three months*) and the credit balance paid in cash by the debtor State within a week (*H. one month*).

Nevertheless, any credit balances which may be due by one or more of the Allied and Associated Powers shall be retained until complete payment shall have been effected of the sums due to the Allied or Associated Powers or their nationals on account of the war.

12.

To facilitate discussion between the Clearing Offices each of them shall have a representative at the place where the other is established.

13.

Except for special reasons all discussions in regard to claims will, so far as possible, take place at the Debtor Clearing Office.

14.

In conformity with Article 248 (*H. 237*), paragraph (*b*), the High Contracting Parties are responsible for the payment of the enemy debts owing by their nationals.

The Debtor Clearing Office will therefore credit the Creditor Clearing Office with all debts admitted, even in case of inability to collect them from the individual debtor. The Governments concerned will, nevertheless, invest their respective Clearing Offices with all necessary powers for the recovery of debts which have been admitted.

15.

Each Government will defray the expenses of the Clearing Office set up in its territory, including the salaries of the staff.

16.

Where the two Clearing Offices are unable to agree whether a debt claimed is due, or in case of a difference between an enemy debtor and an enemy creditor or between the Clearing Offices, the dispute shall either be referred to arbitration, if the parties so agree under conditions fixed by agreement

between them, or referred to the Mixed Arbitral Tribunal provided for in Section VI hereafter.

At the request of the Creditor Clearing Office the dispute may, however, be submitted to the jurisdiction of the Courts of the place of domicile of the debtor.

17.

Recovery of sums found by the Mixed Arbitral Tribunal, the Court, or the Arbitration Tribunal to be due shall be effected through the Clearing Offices as if these sums were debts admitted by the Debtor Clearing Office.

18.

Each of the Governments concerned shall appoint an agent who will be responsible for the presentation to the Mixed Arbitral Tribunal of the cases conducted on behalf of its Clearing Office. This agent will exercise a general control over the representatives or counsel employed by its nationals.

Decisions will be arrived at on documentary evidence, but it will be open to the Tribunal to hear the parties in person, or according to their preference by their representatives approved by the two Governments, or by the agent referred to above, who shall be competent to intervene along with the party or to reopen and maintain a claim abandoned by the same.

19.

The Clearing Offices concerned will lay before the Mixed Arbitral Tribunal all the information and documents in their possession, so as to enable the Tribunal to decide rapidly on the cases which are brought before it.

20.

Where one of the parties concerned appeals against the joint decision of the two Clearing Offices he shall make a deposit against the costs, which deposit shall only be refunded when the first judgment is modified in favour of the appellant and in proportion to the success he may attain, his opponent in case of such a refund being required to pay an equivalent proportion of the costs and expenses. Security accepted by the Tribunal may be substituted for a deposit.

A fee of 5 per cent. of the amount in dispute shall be charged in respect of all cases brought before the Tribunal. This fee shall, unless the Tribunal directs otherwise, be borne by the unsuccessful party. Such fee shall be added to the deposit referred to. It is also independent of the security.

The Tribunal may award to one of the parties a sum in respect of the expenses of the proceedings.

Any sum payable under this paragraph shall be credited to the Clearing Office of the successful party as a separate item.

21.

With a view to the rapid settlement of claims, due regard shall be paid in the appointment of all persons connected with the Clearing Offices or with the Mixed Arbitral Tribunal to their knowledge of the language of the other country concerned.

Each of the Clearing Offices will be at liberty to correspond with the other and to forward documents in its own language.

22.

Subject to any special agreement to the contrary between the Governments concerned debts shall carry interest in accordance with the following provisions :

Interest shall not be payable on sums of money due by way of dividend interest or other periodical payments which themselves represent interest on capital.

The rate of interest shall be 5 per cent. per annum, except in cases where,

by contract, law or custom, the creditor is entitled to payment of interest at a different rate. In such cases the rate to which he is entitled shall prevail.

Interest shall run from the date of commencement of hostilities (or, if the sum of money to be recovered fell due during the war, from the date at which it fell due) until the sum is credited to the Clearing Office of the creditor.

Sums due by way of interest shall be treated as debts admitted by the Clearing Offices and shall be credited to the Creditor Clearing Office in the same way as such debts.

23.

Where by decision of the Clearing Offices or the Mixed Arbitral Tribunal a claim is held not to fall within Article 248 (*H. 231*), the creditor shall be at liberty to prosecute the claim before the Courts or to take such other proceedings as may be open to him.

The presentation of a claim to the Clearing Office suspends the operation of any period of prescription.

24.

The High Contracting Parties agree to regard the decisions of the Mixed Arbitral Tribunal as final and conclusive, and to render them binding upon their nationals.

25.

In any case where a Creditor Clearing Office declines to notify a claim to the Debtor Clearing Office, or to take any step provided for in this Annex intended to make effective in whole or in part a request of which it has received due notice, the enemy creditor shall be entitled to receive from the Clearing Office a certificate setting out the amount of the claim, and shall then be entitled to prosecute the claim before the courts or to take such other proceedings as may be open to him.

SECTION IV.—PROPERTY, RIGHTS AND INTERESTS

ARTICLE 249. (*H. 232.*)

(*H. 1.*) The question of private property, rights and interests in an enemy country shall be settled according to the principles laid down in this Section and to the provisions of the Annex hereto.

(*a.*) The exceptional war measures and measures of transfer (defined in paragraph 3 of the Annex hereto) taken in the territory of the former Austrian Empire with respect to the property, rights and interests of nationals of Allied or Associated Powers, including companies and associations in which they are interested, when liquidation has not been completed, shall be immediately discontinued or stayed and the property, rights, and interests concerned restored to their owners.

(*b.*) Subject to any contrary stipulations which may be provided for in the present Treaty, the Allied and Associated Powers reserve the right to retain and liquidate all property, rights and interests which belong at the date of the coming into force of the present Treaty to nationals of the former Austrian Empire, or companies controlled by them, and are within the territories, colonies, possessions and protectorates of such Powers (including territories ceded to them by the present Treaty) or (*H. which*) are under the control of those Powers.

The liquidation shall be carried out in accordance with the laws of the Allied or Associated State concerned, and the owner shall not be able to dispose of such property, rights or interests nor to subject them to any charge without the consent of that State.

Persons who within six months of the coming into force of the present Treaty show that they have acquired *ipso facto* in accordance with its pro-

visions the nationality of an Allied or Associated Power, including those who under Articles 72 or 76 (*H. Article 62*) obtain such nationality with the consent of the competent authorities, or who under Articles 74 or 77 acquire such nationality in virtue of previous rights of citizenship (*pertinenza*) will not be considered as nationals of the former Austrian Empire within the meaning of this paragraph.

(c.) The price or the amount of compensation in respect of the exercise of the right referred to in paragraph (b) will be fixed in accordance with the methods of sale or valuation adopted by the laws of the country in which the property has been retained or liquidated.

(d.) As between the Allied and Associated Powers and their nationals on the one hand and nationals of the former Austrian Empire on the other hand, as also between Austria on the one hand and the Allied and Associated Powers and their nationals on the other hand, all the exceptional war measures, or measures of transfer, or acts done or to be done in execution of such measures as defined in paragraphs 1 and 3 of the Annex hereto shall be considered as final and binding upon all persons except as regards the reservations laid down in the present Treaty.

(e.) The nationals of Allied and Associated Powers shall be entitled to compensation in respect of damage or injury inflicted upon their property, rights or interests, including any company or association in which they are interested, in the territory of the former Austrian Empire, by the application either of the exceptional war measures or measures of transfer mentioned in paragraphs 1 and 3 of the Annex hereto. The claims made in this respect by such nationals shall be investigated, and the total of the compensation shall be determined by the Mixed Arbitral Tribunal provided for in Section VI or by an arbitrator appointed by that Tribunal. This compensation shall be borne by Austria, and may be charged upon the property of nationals in (*H. of*) the former Austrian Empire, or companies controlled by them, as defined in paragraph (b), within the territory or under the control of the claimant's State. This property may be constituted as a pledge for enemy liabilities under the conditions fixed by paragraph 4 of the Annex hereto. The payment of this compensation may be made by the Allied or Associated State, and the amount will be debited to Austria.

(f.) Whenever a national of an Allied or Associated Power is entitled to property which has been subjected to a measure of transfer in the territory of the former Austrian Empire and expresses a desire for its restitution, his claim for compensation in accordance with paragraph (e) shall be satisfied by the restitution of the said property if it still exists in specie.

In such case Austria shall take all necessary steps to restore the evicted owner to the possession of his property, free from all encumbrances or burdens with which it may have been charged after the liquidation, and to indemnify all third parties injured by the restitution.

If the restitution provided for in this paragraph cannot be effected, private agreements arranged by the intermediation of the Powers concerned or the Clearing Offices provided for in the Annex to Section III may be made, in order to secure that the national of the Allied or Associated Power may secure compensation for the injury referred to in paragraph (e) by the grant of advantages or equivalents which he agrees to accept in place of the property, rights or interests of which he was deprived.

Through restitution in accordance with this Article, the price or the amount of compensation fixed by the application of paragraph (e) will be reduced by the actual value of the property restored, account being taken of compensation in respect of loss of use or deterioration.

(g.) The rights conferred by paragraph (f) are reserved to owners who are nationals of Allied or Associated Powers within whose territory legislative measures prescribing the general liquidation of enemy property, rights or interests were not applied before the signature of the Armistice.

(h) Except in cases where, by application of paragraph (f), restitutions in specie have been made, the net proceeds of sales of enemy property, rights or interests wherever situated carried out either by virtue of war legislation, or by application of this Article, and in general all cash assets of enemies, other than proceeds of sales of property or cash assets in Allied or Associated countries belonging to persons covered by the last sentence of paragraph (b) above, shall be dealt with as follows :

(1.) As regards Powers adopting Section III and the Annex thereto, the said proceeds and cash assets shall be credited to the Power of which the owner is a national, through the Clearing Office established thereunder ; any credit balance in favour of Austria resulting therefrom shall be dealt with as provided in Article 189 (*II. 173*), Part VIII (Reparation), of the present Treaty.

(2.) As regards Powers not adopting Section III and the Annex thereto, the proceeds of the property, rights and interests, and the cash assets, of the nationals of Allied or Associated Powers held by Austria shall be paid immediately to the person entitled thereto or to his Government ; the proceeds of the property, rights and interests, and the cash assets of nationals of the former Austrian Empire, or companies controlled by them, as defined in paragraph (b), received by an Allied or Associated Power shall be subject to disposal by such Power in accordance with its laws and regulations and may be applied in payment of the claims and debts defined by this Article or paragraph 4 of the Annex hereto. Any such property, rights and interests or proceeds thereof or cash assets not used as above provided may be retained by the said Allied or Associated Power, and, if retained, the cash value thereof shall be dealt with as provided in Article 189 (*II. 173*), Part VIII (Reparation), of the present Treaty.

(i.) Subject to the provisions of Article 267 (*II. 250*), in the case of liquidations effected in new States, which are signatories of the present Treaty as Allied and Associated Powers, or in States which are not entitled to share in the reparation payments to be made by Austria, the proceeds of liquidations effected by such States shall, subject to the rights of the Reparation Commission under the present Treaty, particularly under Articles 181 (*II. 165*), Part VIII (Reparation), and 211 (*II. 194*), Part IX (Financial Clauses), be paid direct to the owner. If, on the application of that owner, the Mixed Arbitral Tribunal provided for by Section VI of this Part, or an arbitrator appointed by that Tribunal, is satisfied that the conditions of the sale or measures taken by the Government of the State in question outside its general legislation were unfairly prejudicial to the price obtained, they shall have discretion to award to the owner equitable compensation to be paid by that State.

(j.) Austria undertakes to compensate her nationals in respect of the sale or retention of their property, rights, or interests in Allied or Associated States.

(k.) The amount of all taxes or imposts on capital levied or to be levied by Austria on the property, rights and interests of the nationals of the Allied or Associated Powers from November 8, 1918, until three months from the coming into force of the present Treaty, or, in the case of property, rights or interests which have been subjected to exceptional measures of war, until restitution in accordance with the present Treaty, shall be restored to the owners.

(H. II. *Subject to the preceding provisions, all measures other than those above referred to taken by the de jure or de facto authorities in the territory of the former Kingdom of Hungary between November 3, 1918, and the coming into force of the present Treaty, and causing injury to the property, rights and interests of the Allied and Associated Powers or their nationals, including companies and associations in which they were interested, are declared null and void.*

The provisions of paragraphs (a), (e), (f), (h) and (k) above apply to property, rights and interests which belong to nationals of the Allied and Associated Powers, including companies and associations in which they were interested, and which have been the subject of injurious measures such as expropriation, confiscation, seizure, requisition, destruction or deterioration effected as the result either of laws or regulations or of acts of violence on the part of the de jure or de facto authorities which have existed in Hungary, or of the Hungarian population.

III. Companies and associations include in particular the Orthodox Greek communities established in Buda-Pesth and other Hungarian towns, as well as pious and other foundations, when nationals of the Allied and Associated Powers are interested in such communities or foundations.

IV. No forfeiture on account of failure to complete any formality or make any declaration imposed by Hungarian laws or decrees promulgated since the Armistice and before the coming into force of the present Treaty shall be valid as against nationals of the Allied and Associated Powers, including companies and associations in which they were interested.)

ARTICLE 250. (H. 233.)

Austria undertakes, with regard to the property, rights, and interests, including companies and associations in which they were interested, restored to nationals of Allied and Associated Powers in accordance with the provisions of Article 249, paragraph (a) or (f) (H. 232) :

(a.) To restore and maintain, except as expressly provided in the present Treaty, the property, rights, and interests of the nationals of Allied or Associated Powers in the legal position obtaining in respect of the property, rights, and interests of nationals of the former Austrian Empire under the laws in force before the war ;

(b.) not to subject the property, rights or interests of the nationals of the Allied or Associated Powers to any measures in derogation of property rights which are not applied equally to the property, rights and interests of Austrian nationals, and to pay adequate compensation in the event of the application of these measures.

ANNEX. (Also in H.)

In accordance with the provisions of Article 249 (H. 232), paragraph (d), the validity of vesting orders and of orders for (H. *the*) winding up of **business** (H. *businesses*) or companies, and of any other orders, directions, decisions or instructions of any court or any department of the Government of any of the High Contracting Parties made or given, or purporting to be made or given, in pursuance of war legislation with regard to enemy property, rights and interests is confirmed. The interests of all persons shall be regarded as having been effectively dealt with by any order, direction, decision or instruction dealing with property in which they may be interested, whether or not such interests are specially (H. *specifically*) mentioned in the order, direction, decision or instruction. No question shall be raised as to the regularity of a transfer of any property, rights or interests dealt with in pursuance of any such order, direction, decision or instruction. Every action taken with regard to any property, business or company, whether as regards its investigation, sequestration, compulsory administration, use, requisition, supervision or winding up, the sale or management of property, rights or interests, the collection or discharge of debts, the payment of costs, charges or expenses, or any other matter whatsoever, in pursuance of orders, directions, **decision** (H. *decisions*) or instructions of any court or of any department of the Government of any of the High Contracting Parties, made or given, or purporting to be made or given, in pursuance of war legislation with regard to enemy property, rights or interests, is confirmed. Provided that the provisions of this paragraph shall not be held to prejudice the titles

to property heretofore acquired in good faith and for value and in accordance with the laws of the country in which the property is situated by nationals of the Allied and Associated Powers.

The provisions of this paragraph do not apply to such of the above-mentioned measures as have been taken by the former Austro-Hungarian Government in invaded or occupied territory, nor to such of the above-mentioned measures as have been taken by Austria or the Austrian authorities since November 3, 1918, all of which measures shall be void.

No claim or action shall be made or brought against any Allied or Associated Power or against any person acting on behalf of or under the direction of any legal authority or department of the Government of such a Power by Austria or by any Austrian national or by or on behalf of any national of the former Austrian Empire wherever resident in respect of any act or omission with regard to his property, rights or interests during the war or in preparation for the war. Similarly no claim or action shall be made or brought against any person in respect of any act or omission under or in accordance with the exceptional war measures, law (1. laws) or regulations of any Allied or Associated Power.

3.

In Article 249 (H. 232) and this Annex the expression "exceptional war measures" includes measures of all kinds, legislative, administrative, judicial or others, that have been taken or will be taken hereafter with regard to enemy property, and which have had or will have the effect of removing from the proprietors the power of disposition over their property, though without affecting the ownership, such as measures of supervision, of compulsory administration, and of sequestration; or measures which have had or will have as an object the seizure of, the use of, or the interference with enemy assets, for whatsoever motive, under whatsoever form or in whatsoever place. Acts in the execution of these measures include all detentions, instructions, orders or decrees of Government departments or courts applying these measures to enemy property, as well as acts performed by any person connected with the administration or the supervision of enemy property, such as the payment of debts, the collecting of credits, the payment of any costs, charges or expenses, or the collecting of fees.

Measures of transfer are those which have affected or will affect the ownership of enemy property by transferring it in whole or in part to a person other than the enemy owner, and without his consent, such as measures directing the sale, liquidation or devolution of ownership in enemy property, or the cancelling of titles or securities.

4.

All property, rights and interests of nationals of the former Austrian Empire within the territory of any Allied or Associated Power and the net proceeds of their sale, liquidation or other dealing therewith may be charged by that Allied or Associated Power in the first place with payment of amounts due in respect of claims by the nationals of that Allied or Associated Power with regard to their property, rights and interests, including companies and associations in which they are interested, in territory of the former Austrian Empire, or debts owing to them by Austrian nationals, and with payment of claims growing out of acts committed by the former Austro-Hungarian Government or by any Austrian authorities since July 28, 1914, and before that Allied or Associated Power entered into the war. The amount of such claims may be assessed by an arbitrator appointed by M. Gustave Ador, if he is willing, or if no such appointment is made by him, by an arbitrator appointed by the Mixed Arbitral Tribunal provided for in Section VI. They may be charged in the second place with payment of the amounts due in

respect of claims by the nationals of such Allied or Associated Power with regard to their property, rights and interests in the territory of other enemy Powers, in so far as those claims are otherwise unsatisfied.

5.

Notwithstanding the provisions of Article 249 (*H. 232*), where immediately before the outbreak of war a company incorporated in an Allied or Associated State had rights in common with a company controlled by it and incorporated in Austria to the use of trade-marks in third countries, or enjoyed the use in common with such company of unique means of reproduction of goods or articles for sale in third countries, the former company shall alone have the right to use these trade-marks in third countries to the exclusion of the Austrian company, and these unique means of reproduction shall be handed over to the former company, notwithstanding any action taken under war legislation in force in the Austro-Hungarian Monarchy with regard to the latter company or its business, industrial property or shares. Nevertheless, the former company, if requested, shall deliver to the latter company derivative copies permitting the continuation of reproduction of articles for use within Austrian territory (*H. in Hungary*).

6.

Up to the time when restitution is carried out in accordance with Article 249 (*H. 232*), Austria is responsible for the conservation of property, rights and interests of the nationals of Allied or Associated Powers, including companies and associations in which they are interested, that have been subjected by her to exceptional war measures.

7.

Within one year from the coming into force of the present Treaty the Allied or Associated Powers will specify the property, rights and interests over which they intend to exercise the right provided in Article 249 (*H. 232*), paragraph (*f*).

8.

The restitution provided in Article 249 (*H. 232*) will be carried out by order of the Austrian Government or of the authorities which have been substituted for it. Detailed accounts of the action of administrators shall be furnished to the interested persons by the Austrian authorities upon request, which may be made at any time after the coming into force of the present Treaty.

9.

Until completion of the liquidation provided for by Article 249 (*H. 232*), paragraph (*b*), the property, rights and interests of the persons referred to in that paragraph will continue to be subject to exceptional war measures that have been or will be taken with regard to them.

10.

Austria will, within six months from the coming into force of the present Treaty, deliver to each Allied or Associated Power all securities, certificates, deeds or other documents of title held by its nationals and relating to property, rights or interests situated in the territory of that Allied or Associated Power, including any shares, stock, debentures, debenture stock or other obligations of any company incorporated in accordance with the laws of that Power.

Austria will at any time on demand of any Allied or Associated Power furnish such information as may be required with regard to the property, rights and interests of Austrian nationals within the territory of such Allied or Associated Power, or with regard to any transactions concerning such property, rights or interests effected since July 1, 1914.

11.

The expression "cash assets" includes all deposits or funds established before or after the existence of a state of war, as well as all assets coming from deposits, revenues or profits collected by administrators, sequestrators or others from funds placed on deposit or otherwise, but does not include sums belonging to the Allied or Associated Powers or to their component States, Provinces or Municipalities.

12.

All investments wheresoever effected with the cash assets of nationals of the High Contracting Parties, including companies and associations in which such nationals were interested, by persons responsible for the administration of enemy properties or having control over such administration, or by order of such persons or of any authority whatsoever, shall be annulled. These cash assets shall be accounted for irrespective of any such investment.

13.

Within one month from the coming into force of the present Treaty, or on demand at any time, Austria will deliver to the Allied and Associated Powers all accounts, vouchers, records, documents and information of any kind which may be within Austrian territory, and which concern the property, rights and interests of the nationals of those Powers, including companies and associations in which they are interested, that have been subjected to an exceptional war measure, or to a measure of transfer either in the territory of the former Austrian Empire or in territory occupied by that Empire or its allies.

The controllers, supervisors, managers, administrators, sequestrators, liquidators and receivers shall be personally responsible under guarantee of the Austrian Government for the immediate delivery in full of these accounts and documents, and for their accuracy.

14.

The provisions of Article 249 (*H. 232*) and this Annex relating to property, rights and interests in an enemy country, and the proceeds of the liquidation thereof, apply to debts, credits and accounts, Section III regulating only the method of payment.

In the settlement of matters provided for in Article 249 (*H. 232*) between Austria and the Allied or Associated Powers, their colonies or protectorates, or any one of the British Dominions or India, in respect of any of which a declaration shall not have been made that they adopt Section III, and between their respective nationals, the provisions of Section III respecting the currency in which payment is to be made and the rate of exchange and of interest shall apply unless the Government of the Allied or Associated Power concerned shall within six months of the coming into force of the present Treaty notify Austria that one or more of the said provisions are not to be applied.

15.

The provisions of Article 249 (*H. 232*) and this Annex apply to industrial, literary and artistic property which has been or will be dealt with in the liquidation of property, rights, interests, companies or businesses under war legislation by the Allied or Associated Powers, or in accordance with the stipulations of Article 249 (*H. 232*), paragraph (b).

SECTION V.—CONTRACTS, PRESCRIPTIONS, JUDGMENTS

ARTICLE 251. (*H. 234.*)

(a.) Any contract concluded between enemies shall be regarded as having been dissolved as from the time when any two of the parties became enemies, except in respect of any debt or other pecuniary obligation arising out of

any act done or money paid thereunder, and subject to the exceptions and special rules with regard to particular contracts or classes of contracts contained herein or in the Annex hereto.

(b.) Any contract of which the execution shall be required in the general interest, within six months from the date of the coming into force of the present Treaty, by the Government of the Allied or Associated Power of which one of the parties is a national, shall be excepted from dissolution under this Article.

When the execution of the contract thus kept alive would, owing to the alteration of trade conditions, cause one of the parties substantial prejudice, the Mixed Arbitral Tribunal provided for by Section VI shall be empowered to grant to the prejudiced party equitable compensation.

(c.) Having regard to the provisions of the constitution and law of the United States of America, of Brazil, and of Japan, neither the present Article, nor Article 252 (*H. 235*), nor the Annex hereto shall apply to contracts made between nationals of these States and nationals of the former Austrian Empire; nor shall Article 257 (*H. 240*) apply to the United States of America or its nationals.

(d.) The present Article and the Annex hereto shall not apply to contracts the parties to which became enemies by reason of one of them being an inhabitant of territory of which the sovereignty has been transferred, if such party shall acquire, under the present Treaty, the nationality of an Allied or Associated Power, nor shall they apply to contracts between nationals of the Allied and Associated Powers between whom trading has been prohibited by reason of one of the parties being in Allied or Associated territory in the occupation of the enemy.

(e.) Nothing in the present Article or the Annex hereto shall be deemed to invalidate a transaction lawfully carried out in accordance with a contract between enemies if it has been carried out with the authority of one of the belligerent Powers.

ARTICLE 252. (*H. 235.*)

(a.) All periods of prescription, or limitation of right of action, whether they began to run before or after the outbreak of war, shall be treated in the territory of the High Contracting Parties, so far as regards relations between enemies, as having been suspended for the duration of the war. They shall begin to run again at earliest three months after the coming into force of the present Treaty. This provision shall apply to the period prescribed for the presentation of interest or dividend coupons or for the presentation for repayment of securities drawn for repayment or repayable on any other ground.

(b.) Where, on account of failure to perform any act or comply with any formality during the war, measures of execution have been taken in the territory of the former Austrian Empire to the prejudice of a national of an Allied or Associated Power, the claim of such national shall, if the matter does not fall within the competence of the Courts of an Allied or Associated Power, be heard by the Mixed Arbitral Tribunal provided for by Section VI.

(c.) Upon the application of any interested person who is a national of an Allied or Associated Power, the Mixed Arbitral Tribunal shall order the restoration of the rights which have been prejudiced by the measures of execution referred to in paragraph (b), wherever, having regard to the particular circumstances of the case, such restoration is equitable and possible.

If such restoration is inequitable or impossible, the Mixed Arbitral Tribunal may grant compensation to the prejudiced party, to be paid by the Austrian Government.

(d.) Where a contract between enemies has been dissolved by reason either of failure on the part of either party to carry out its provisions or

of the exercise of a right stipulated in the contract itself, the party prejudiced may apply to the Mixed Arbitral Tribunal for relief. The Tribunal will have the powers provided for in paragraph (c).

(e.) The provisions of the preceding paragraphs of this Article shall apply to the nationals of Allied and Associated Powers who have been prejudiced by reason of measures referred to above taken by the authorities of the former Austrian Government in invaded or occupied territory, if they have not been otherwise compensated.

(f.) Austria shall compensate any third party who may be prejudiced by any restitution or restoration ordered by the Mixed Arbitral Tribunal under the provisions of the preceding paragraphs of this Article.

(g.) As regards negotiable instruments, the period of three months provided under paragraph (a) shall commence as from the date on which any exceptional regulations applied in the territories of the interested Power with regard to negotiable instruments shall have definitely ceased to have force.

ARTICLE 253. (H. 236.)

As between enemies no negotiable instrument made before the war shall be deemed to have become invalid by reason only of failure within the required time to present the instrument for acceptance or payment or to give notice of non-acceptance or non-payment to drawers or indorsers or to protest the instrument, nor by reason of failure to complete any formality during the war.

Where the period within which a negotiable instrument should have been presented for acceptance or for payment, or within which notice of non-acceptance or non-payment should have been given to the drawer or indorser, or within which the instrument should have been protested, has elapsed during the war, and the party who should have presented or protested the instrument or have given notice of non-acceptance or non-payment has failed to do so during the war, a period of not less than three months from the coming into force of the present Treaty shall be allowed within which presentation, notice of non-acceptance or non-payment or protest may be made.

ARTICLE 254. (H. 237.)

Judgments given by the Courts of an Allied or Associated Power in all cases which, under the present Treaty, they are competent to decide, shall be recognised in Austria as final, and shall be enforced without it being necessary to have them declared executory.

If a judgment or measure of execution in respect of any dispute which may have arisen has been given during the war by a judicial authority of the former Austrian Empire against a national of an Allied or Associated Power, or a company or association in which one of such nationals was interested, in a case in which either such national or such company or association was not able to make their defence, the Allied and Associated national who has suffered prejudice thereby shall be entitled to recover compensation to be fixed by the Mixed Arbitral Tribunal provided for in Section VI.

At the instance of the national of the Allied or Associated Power the compensation above mentioned may, upon order to that effect of the Mixed Arbitral Tribunal, be effected where it is possible by replacing the parties in the situation which they occupied before the judgment was given by the Austrian Court.

The above compensation may likewise be obtained before the Mixed Arbitral Tribunal by the nationals of Allied or Associated Powers who have suffered prejudice by judicial measures taken in invaded or occupied territories, if they have not been otherwise compensated.

ARTICLE 255. (*II. 238.*)

For the purpose of Sections III, IV, V and VII, the expression "during the war" means for each Allied or Associated Power the period between the commencement of the state of war between that Power and the former Austro-Hungarian Monarchy and the coming into force of the present Treaty.

ANNEX. (*Also in H.*)I. *General Provisions.*

1.

Within the meaning of Articles 251, 252 and 253 (*H. 234, 235 and 236*) the parties to a contract shall be regarded as enemies when trading between them shall have been prohibited by or otherwise became unlawful under laws, orders or regulations to which one of those parties was subject. They shall be deemed to have become enemies from the date when such trading was prohibited or otherwise became unlawful.

2.

The following classes of contracts are excepted from dissolution by Article 251 (*H. 234*), and, without prejudice to the rights contained in Article 249 (*H. 232*) (*b*) of Section IV, remain in force subject to the application of domestic laws, orders, or regulations made during the war by the Allied and Associated Powers and subject to the terms of the contracts :

- (a.) Contracts having for their object the transfer of estates or of real or personal property where the property therein had passed or the object had been delivered before the parties became enemies ;
- (b.) Leases and agreements for leases of land and houses ;
- (c.) Contracts of mortgage, pledge, or lien ;
- (d.) Concessions concerning mines, quarries or deposits ;
- (e.) Contracts between individuals or companies and States, provinces, municipalities or other similar juridical persons charged with administrative functions, and concessions granted by States, provinces, municipalities or other similar juridical persons charged with administrative functions.

3.

If the provisions of a contract are in part dissolved under Article 251 (*H. 234*), the remaining provisions of that contract shall, subject to the same application of domestic laws as is provided for in paragraph 2, continue in force if they are severable, but where they are not severable the contract shall be deemed to have been dissolved in its entirety.

II. *Provisions relating to certain classes of Contracts.**Stock Exchange and Commercial Exchange Contracts.*

4.

(a.) Rules made during the war by any recognised Exchange or Commercial Association providing for the closure of contracts entered into before the war by an enemy are confirmed by the High Contracting Parties, as also any action taken thereunder, provided :

(1) that the contract was expressed to be made subject to the rules of the Exchange or Association in question ;

(2) that the rules applied to all persons concerned ;

(3) that the conditions attaching to the closure were fair and reasonable.

(b.) The preceding paragraph shall not apply to rules made during the occupation by Exchanges or Commercial Associations in the districts occupied by the enemy.

(c.) The closure of contracts relating to cotton "futures," which were closed as on July 31, 1914, under the decision of the Liverpool Cotton Association, is also confirmed.

Security.

5.

The sale of a security held for an unpaid debt owing by an enemy shall be deemed to have been valid irrespective of notice to the owner if the creditor acted in good faith and with reasonable care and prudence, and no claim by the debtor on the ground of such sale shall be admitted.

This stipulation shall not apply to any sale of securities effected by an enemy during the occupation in regions invaded or occupied by the enemy.

Negotiable Instruments.

6.

As regards Powers which adopt Section III and the Annex thereto the pecuniary obligations existing between enemies and resulting from the issue of negotiable instruments shall be adjusted in conformity with the said Annex by the instrumentality of the Clearing Offices, which shall assume the rights of the holder as regards the various remedies open to him.

7.

If a person has either before or during the war become liable upon a negotiable instrument in accordance with an undertaking given to him by a person who has subsequently become an enemy, the latter shall remain liable to indemnify the former in respect of his liability notwithstanding the outbreak of war.

III. Contracts of Insurance.

8.

Contracts of insurance entered into by any person with another person who subsequently became an enemy will be dealt with in accordance with the following paragraphs.

Fire Insurance.

9.

Contracts for the insurance of property against fire entered into by a person interested in such property with another person who subsequently became an enemy shall not be deemed to have been dissolved by the outbreak of war, or by the fact of the person becoming an enemy, or on account of the failure during the war and for a period of three months thereafter to perform his obligations under the contract, but they shall be dissolved at the date when the annual premium becomes payable for the first time after the expiration of a period of three months after the coming into force of the present Treaty.

A settlement shall be effected of unpaid premiums which became due during the war or of claims for losses which occurred during the war.

10.

Where by administrative or legislative action an insurance against fire effected before the war has been transferred during the war from the original to another insurer, the transfer will be recognised and the liability of the original insurer will be deemed to have ceased as from the date of the transfer. The original insurer will, however, be entitled to receive on demand full information as to the terms of the transfer, and if it should appear that these terms were not equitable they shall be amended so far as may be necessary to render them equitable.

Furthermore, the insured shall, subject to the concurrence of the original insurer, be entitled to retransfer the contract to the original insurer as from the date of the demand.

Life Insurance.

11.

Contracts of life insurance entered into between an insurer and a person who subsequently became an enemy shall not be deemed to have been dissolved by the outbreak of war, or by the fact of the person becoming an enemy.

Any sum which during the war became due upon a contract deemed not to have been dissolved under the preceding provision shall be recoverable after the war with the addition of interest at 5 per cent. per annum from the date of its becoming due up to the day of payment.

Where the contract has lapsed during the war owing to non-payment of premiums, or has become void from breach of the conditions of the contract, the assured or his representatives or the persons entitled shall have the right at any time within twelve months of the coming into force of the present Treaty to claim from the insurer the surrender value of the policy at the date of its lapse or avoidance.

Where the contract has lapsed during the war owing to non-payment of premiums the payment of which has been prevented by the enforcement of measures of war, the assured or his representative or the persons entitled shall have the right to restore the contract on payment of the premiums with interest at 5 per cent. per annum within three months from the coming into force of the present Treaty.

12.

Where contracts of life insurance have been entered into by a local branch of an insurance company established in a country which subsequently became an enemy country, the contract shall, in the absence of any stipulation to the contrary in the contract itself, be governed by the local law, but the insurer shall be entitled to demand from the insured or his representatives the refund of sums paid on claims made or enforced under measures taken during the war, if the making or enforcement of such claims was not in accordance with the terms of the contract itself or was not consistent with the laws or treaties existing at the time when it was entered into.

13.

In any case where by the law applicable to the contract the insurer remains bound by the contract notwithstanding the non-payment of premiums until notice is given to the insured of the termination of the contract, he shall be entitled, where the giving of such notice was prevented by the war, to recover the unpaid premiums with interest at 5 per cent. per annum from the insured.

14.

Insurance contracts shall be considered as contracts of life assurance for the purpose of paragraphs 11 to 13 when they depend on the probabilities of human life combined with the rate of interest for the calculation of the reciprocal engagements between the two parties.

Marine Insurance.

15.

Contracts of marine insurance, including time policies and voyage policies entered into between an insurer and a person who subsequently became an enemy, shall be deemed to have been dissolved on his becoming an enemy, except in cases where the risk undertaken in the contract had attached before he became an enemy.

Where the risk had not attached, money paid by way of premium or otherwise shall be recoverable from the insurer.

Where the risk had attached effect shall be given to the contract notwith-

standing the party becoming an enemy, and sums due under the contract either by way of premiums or in respect of losses shall be recoverable after the coming into force of the present Treaty.

In the event of any agreement being come to for the payment of interest on sums due before the war to or by the nationals of States which have been at war and recovered after the war, such interest shall in the case of losses recoverable under contracts of marine insurance run from the expiration of a period of one year from the date of the loss.

16.

No contract of marine insurance with an insured person who subsequently became an enemy shall be deemed to cover losses due to belligerent action by the Power of which the insurer was a national or by the allies or associates of such Power.

17.

Where it is shown that a person who had before the war entered into a contract of marine insurance with an insurer who subsequently became an enemy entered after the outbreak of war into a new contract covering the same risk with an insurer who was not an enemy, the new contract shall be deemed to be substituted for the original contract as from the date when it was entered into, and the premiums payable shall be adjusted on the basis of the original insurer having remained liable on the contract only up till the time when the new contract was entered into.

Other Insurances.

18.

Contracts of insurance entered into before the war between an insurer and a person who subsequently became an enemy, other than contracts dealt with in paragraphs 9 to 17, shall be treated in all respects on the same footing as contracts of fire insurance between the same persons would be dealt with under the said paragraphs.

Reinsurance.

19.

All treaties of reinsurance with a person who became an enemy shall be regarded as having been abrogated by the person becoming an enemy, but without prejudice in the case of life or marine risks which had attached before the war to the right to recover payment after the war for sums due in respect of such risks.

Nevertheless if, owing to invasion, it has been impossible for the reinsured to find another reinsurer, the treaty shall remain in force until three months after the coming into force of the present Treaty.

Where a reinsurance treaty becomes void under this paragraph, there shall be an adjustment of accounts between the parties in respect both of premiums paid and payable and of liabilities for losses in respect of life or marine risks which had attached before the war. In the case of risks other than those mentioned in paragraphs 11 to 17 the adjustment of accounts shall be made as at the date of the parties becoming enemies without regard to claims for losses which may have occurred since that date.

20.

The provisions of the preceding paragraph will extend equally to re-insurances, existing at the date of the parties becoming enemies, of particular risks undertaken by the insurer in a contract of insurance against any risks other than life or marine risks.

21.

Reinsurance of life risks effected by particular contracts and not under any general treaty remain in force.

22.

In case of a reinsurance effected before the war of a contract of marine insurance, the cession of a risk which had been ceded to the reinsurer shall, if it had attached before the outbreak of war, remain valid and effect be given to the contract notwithstanding the outbreak of war; sums due under the contract of reinsurance in respect either of premiums or of losses shall be recoverable after the war.

23.

The provisions of paragraphs 16 and 17 and the last part of paragraph 15 shall apply to contracts for the reinsurance of marine risks.

SECTION VI.—MIXED ARBITRAL TRIBUNAL.

ARTICLE 256. (*H. 239.*)

(a.) Within three months from the coming into force of the present Treaty, a Mixed Arbitral Tribunal shall be established between each of the Allied and Associated Powers on the one hand and Austria on the other hand. Each such Tribunal shall consist of three members. Each of the Governments concerned shall appoint one of these members. The President shall be chosen by agreement between the two Governments concerned.

In case of failure to reach agreement, the President of the Tribunal and two other persons, either of whom may in case of need take his place, shall be chosen by the Council of the League of Nations, or, until this is set up, by M. Gustave Ador if he is willing. These persons shall be nationals of Powers that have remained neutral during the war.

If in case there is a vacancy a Government does not proceed within a period of one month to appoint as provided above a member of the Tribunal, such member shall be chosen by the other Government from the two persons mentioned above other than the President.

The decision of the majority of the members of the Tribunal shall be the decision of the Tribunal.

(b.) The Mixed Arbitral Tribunals established pursuant to paragraph (a) shall decide all questions within their competence under sections III, IV, V and VII.

In addition, all questions, whatsoever their nature, relating to contracts concluded before the coming into force of the present Treaty between nationals of the Allied and Associated Powers and Austrian nationals shall be decided by the Mixed Arbitral Tribunal, always excepting questions which, under the laws of the Allied, Associated or Neutral Powers, are within the jurisdiction of the National Courts of those Powers. Such questions shall be decided by the National Courts in question, to the exclusion of the Mixed Arbitral Tribunal. The party who is a national of an Allied or Associated Power may nevertheless bring the case before the Mixed Arbitral Tribunal if this is not prohibited by the laws of his country.

(c.) If the number of cases justifies it, additional members shall be appointed and each Mixed Arbitral Tribunal shall sit in divisions. Each of these divisions will be constituted as above.

(d.) Each Mixed Arbitral Tribunal will settle its own procedure except in so far as it is provided in the following Annex, and is empowered to award the sums to be paid by the loser in respect of the costs and expenses of the proceedings.

(e.) Each Government will pay the remuneration of the member of the Mixed Arbitral Tribunal appointed by it and of any agent whom it may

appoint to represent it before the Tribunal. The remuneration of the President will be determined by special agreement between the Governments concerned ; and this remuneration and the joint expenses of each Tribunal will be paid by the two Governments in equal moieties.

(f.) The High Contracting Parties agree that their courts and authorities shall render to the Mixed Arbitral Tribunals direct all the assistance in their power, particularly as regards transmitting notices and collecting evidence.

(g.) The High Contracting Parties agree to regard the decisions of the Mixed Arbitral Tribunal as final and conclusive, and to render them binding upon their nationals.

ANNEX. (*Also in H.*)

1.

Should one of the members of the Tribunal either die, retire or be unable for any reason whatever to discharge his functions, the same procedure will be followed for filling the vacancy as was followed for appointing him.

2.

The Tribunal may adopt such rules of procedure as shall be in accordance with justice and equity and decide the order and time at which each party must conclude its arguments, and may arrange all formalities required for dealing with the evidence.

3.

The agent and counsel of the parties on each side are authorised to present orally and in writing to the Tribunal arguments in support or in defence of each case.

4.

The Tribunal shall keep record of the questions and cases submitted and the proceedings thereon, with the dates of such proceedings.

5.

Each of the Powers concerned may appoint a secretary. These secretaries shall act together as joint secretaries of the Tribunal and shall be subject to its direction. The Tribunal may appoint and employ any other necessary officer or officers to assist in the performance of its duties.

6.

The Tribunal shall decide all questions and matters submitted upon such evidence and information as may be furnished by the parties concerned.

7.

The High Contracting Parties agree to give the Tribunal all facilities and information required by it for carrying out its investigations.

8.

The language in which the proceedings shall be conducted shall, unless otherwise agreed, be English, French, Italian or Japanese, as may be determined by the Allied or Associated Power concerned.

9.

The place and time for the meetings of each Tribunal shall be determined by the President of the Tribunal.

ARTICLE 257. (*H. 240.*)

Whenever a competent court has given or gives a decision in a case covered by Sections III, IV, V or VII, and such decision is inconsistent with the provisions of such Sections, the party who is prejudiced by the decision shall be entitled to obtain redress which shall be fixed by the Mixed Arbitral

Tribunal. At the request of the national of an Allied or Associated Power, the redress may, whenever possible, be effected by the Mixed Arbitral Tribunal directing the replacement of the parties in the position occupied by them before the judgment was given by the court of the former Austrian Empire.

SECTION VII.—INDUSTRIAL PROPERTY.

ARTICLE 258. (*H.* 241.)

Subject to the stipulations of the present Treaty, rights of industrial, literary and artistic property, as such property is defined by the International Conventions of Paris and of Berne, mentioned in Articles 237 (*H.* 220) and 239 (*H.* 222), shall be re-established or restored, as from the coming into force of the present Treaty, in the territories of the High Contracting Parties, in favour of the persons entitled to the benefit of them at the moment when the state of war commenced, or their legal representatives. Equally, rights which, except for the war, would have been acquired during the war in consequence of an application made for the protection of industrial property, or the publication of a literary or artistic work, shall be recognised and established in favour of those persons who would have been entitled thereto, from the coming into force of the present Treaty.

Nevertheless, all acts done by virtue of the special measures taken during the war under legislative, executive or administrative authority of any Allied or Associated Power in regard to the rights of nationals of the former Austrian Empire in industrial, literary or artistic property shall remain in force and shall continue to maintain their full effect.

No claim shall be made or action brought by Austria or Austrian nationals or by or on behalf of nationals of the former Austrian Empire in respect of the use during the war by the Government of any Allied or Associated Power, or by any persons acting on behalf or with the assent of such Government of any rights in industrial, literary or artistic property, nor in respect of the sale, offering for sale or use of any products, articles or apparatus whatsoever to which such rights applied.

Unless the legislation of any one of the Allied or Associated Powers in force at the moment of the signature of the present Treaty otherwise directs, sums due or paid in respect of the property of persons referred to in Article 249 (*H.* 232) (b) and in virtue of any act or operation resulting from the execution of the special measures mentioned in the second paragraph of this Article shall be dealt with in the same way as other sums due to such persons are directed to be dealt with by the present Treaty; and sums produced by any special measures taken by the Government of the former Austrian Empire in respect of rights in industrial, literary or artistic property belonging to the nationals of the Allied or Associated Powers shall be considered and treated in the same way as other debts due from Austrian nationals.

Each of the Allied and Associated Powers reserves to itself the right to impose such limitations, conditions or restrictions on rights of industrial, literary or artistic property (with the exception of trade-marks) acquired before or during the war, or which may be subsequently acquired in accordance with its legislation, by Austrian nationals, whether by granting licences, or by the working, or by preserving control over their exploitation, or in any other way, as may be considered necessary for national defence, or in the public interest, or for assuring the fair treatment by Austria of the rights of industrial, literary and artistic property held in Austrian territory by its nationals, or for securing the due fulfilment of all obligations undertaken by Austria in the present Treaty. As regards rights of industrial, literary and artistic property acquired after the coming into force of the present Treaty, the right so reserved by the Allied and Associated Powers shall only be exercised in cases where these limitations, conditions or restrictions may be considered necessary for national defence or in the public interest.

In the event of the application of the provisions of the preceding paragraph by any Allied or Associated Power, there shall be paid reasonable indemnities or royalties, which shall be dealt with in the same way as other sums due to Austrian nationals are directed to be dealt with by the present Treaty.

Each of the Allied or Associated Powers reserves the right to treat as void and of no effect any transfer in whole or in part of or other dealing with rights of or in respect of industrial, literary or artistic property effected after July 28, 1914, or in the future, which would have the result of defeating the objects of the provisions of this Article.

The provisions of this Article shall not apply to rights in industrial, literary or artistic property which have been dealt with in the liquidation of businesses or companies under war legislation by the Allied or Associated Powers, or which may be so dealt with by virtue of Article 249 (*H. 232*), paragraph (*b*).

ARTICLE 259. (*H. 242.*)

A minimum of one year after the coming into force of the present Treaty shall be accorded to the nationals of the High Contracting Parties, without extension fees or other penalty, in order to enable such persons to accomplish any act, fulfil any formality, pay any fees, and generally satisfy any obligation prescribed by the laws or regulations of the respective States relating to the obtaining, preserving or opposing rights to, or in respect of, industrial property either acquired before July 28, 1914, or which, except for the war, might have been acquired since that date as a result of an application made before the war or during its continuance, but nothing in this Article shall give any right to reopen interference proceedings in the United States of America where a final hearing has taken place.

All rights in, or in respect of, such property which may have lapsed by reason of any failure to accomplish any act, fulfil any formality, or make any payment, shall revive, but subject in the case of patents and designs to the imposition of such conditions as each Allied or Associated Power may deem reasonably necessary for the protection of persons who have manufactured or made use of the subject-matter of such property while the rights had lapsed. Further, where rights to patents or designs belonging to Austrian nationals are revived under this Article, they shall be subject in respect of the grant of licences to the same provisions as would have been applicable to them during the war, as well as to all the provisions of the present Treaty.

The period from July 28, 1914, until the coming into force of the present Treaty shall be excluded in considering the time within which a patent should be worked or a trade mark or design used, and it is further agreed that no patent, registered trade mark or design in force on July 28, 1914, shall be subject to revocation or cancellation by reason only of the failure to work such patent or use such trade mark or design for two years after the coming into force of the present Treaty.

ARTICLE 260. (*H. 243.*)

The rights of priority provided by Article 4 of the International Convention for the Protection of Industrial Property of Paris of March 20, 1883, revised at Washington in 1911, or by any other Convention or Statute, for the filing or registration of applications for patents or models of utility, and for the registration of trade marks, designs and models which had not expired on July 28, 1914, and those which have arisen during the war, or would have arisen but for the war, shall be extended by each of the High Contracting Parties in favour of all nationals of the other High Contracting Parties for a period of six months after the coming into force of the present Treaty.

Nevertheless, such extension shall in no way affect the right of any of the High Contracting Parties or of any person who before the coming into force of the present Treaty was *bona fide* in possession of any rights of industrial

property conflicting with rights applied for by another who claims rights of priority in respect of them, to exercise such rights by itself or himself personally, or by such agents or licensees as derived their rights from it or him before the coming into force of the present Treaty; and such persons shall not be amenable to any action or other process of law in respect of infringement.

ARTICLE 261. (*H. 244.*)

No action shall be brought and no claim made by nationals of the former Austrian Empire, or by persons residing or carrying on business within the territory of that Empire, on the one part, and on the other part by persons residing or carrying on business in the territory of the Allied or Associated Powers, or persons who are nationals of such Powers respectively, or by any one deriving title during the war from such persons, by reason of any action which has taken place within the territory of the other party between the date of the existence of a state of war and that of the coming into force of the present Treaty, which might constitute an infringement of the rights of industrial property or rights of literary and artistic property, either existing at any time during the war or revived under the provisions of Articles 259 (*H. 242*) and 260 (*H. 243*).

Equally, no action for infringement of industrial, literary or artistic property rights by such persons shall at any time be permissible in respect of the sale or offering for sale for a period of one year after the signature of the present Treaty in the territories of the Allied or Associated Powers on the one hand or Austria on the other, of products or articles manufactured, or of literary or artistic works published, during the period between the existence of a state of war and the signature of the present Treaty, or against those who have acquired and continue to use them. It is understood, nevertheless, that this provision shall not apply when the possessor of the rights was domiciled or had an industrial or commercial establishment in the districts occupied by the Austro-Hungarian armies during the war.

This Article shall not apply as between the United States of America on the one hand and Austria on the other.

ARTICLE 262. (*H. 245.*)

Licences in respect of industrial, literary or artistic property concluded before the war between nationals of the Allied or Associated Powers or persons residing in their territory or carrying on business therein, on the one part, and nationals of the former Austrian Empire, on the other part, shall be considered as cancelled as from the date of the existence of a state of war between the former Austro-Hungarian Monarchy and the Allied or Associated Power. But, in any case, the former beneficiary of a contract of this kind shall have the right, within a period of six months after the coming into force of the present Treaty, to demand from the proprietor of the rights the grant of a new licence, the conditions of which, in default of agreement between the parties, shall be fixed by the duly qualified tribunal in the country under whose legislation the rights had been acquired, except in the case of licences held in respect of rights acquired under the law of the former Austrian Empire. In such cases the conditions shall be fixed by the Mixed Arbitral Tribunal referred to in Section VI of this Part. The tribunal may, if necessary, fix also the amount which it may deem just should be paid by reason of the use of the rights during the war.

No licence in respect of industrial, literary or artistic property, granted under the special war legislation of any Allied or Associated Power, shall be affected by the continued existence of any licence entered into before the war, but shall remain valid and of full effect, and a licence so granted to the former beneficiary of a licence entered into before the war shall be considered as substituted for such licence.

Where sums have been paid during the war in respect of the rights of persons referred to in Article 249 (*H. 232*) (*b*) by virtue of a licence or agreement concluded before the war in respect of rights of industrial property or for the reproduction or the representation of literary, dramatic or artistic works, these sums shall be dealt with in the same manner as other debts or credits of such persons as provided by the present Treaty.

This Article shall not apply as between the United States of America on the one hand and Austria on the other.

SECTION VIII.—SPECIAL PROVISIONS RELATING TO TRANSFERRED TERRITORY.

ARTICLE 263. (*H. 246.*)

Of the individuals and juridical persons previously nationals of the former Austrian Empire, including Bosnia-Herzegovinians, those who acquire *ipso facto* under the present Treaty the nationality of an Allied or Associated Power are designated in the provisions which follow by the expression "nationals of the former Austrian Empire"; the remainder are designated by the expression "Austrian nationals."

ARTICLE 264. (*H. 247.*)

The inhabitants of territories transferred by virtue of the present Treaty shall, notwithstanding this transfer and the change of nationality consequent thereon, continue to enjoy in Austria all the rights in industrial, literary and artistic property to which they were entitled under the legislation in force at the time of the transfer.

ARTICLE 265. (*H. 248.*)

The questions concerning the nationals of the former Austrian Empire, as well as Austrian nationals, their rights, privileges and property, which are not dealt with in the present Treaty, or in the Treaty prepared for the purpose of regulating certain immediate relations between the States to which territory of the former Austro-Hungarian Monarchy has been transferred, or arising from the dismemberment of that Monarchy, shall form the subject of special conventions between the States concerned, including Austria; such conventions shall not in any way conflict with the provisions of the present Treaty.

For this purpose it is agreed that (*H. within*) three months from the coming into force of the present Treaty a Conference of delegates of the States in question shall take place.

ARTICLE 266. (*H. 249.*)

The Austrian Government shall without delay restore to nationals of the former Austrian Empire their property, rights and interests situated in Austrian territory.

The amount of taxes and imposts on capital which have been levied or increased on the property, rights and interests of nationals of the former Austrian Empire since November 3, 1918, or which shall be levied or increased until restitution in accordance with the provisions of the present Treaty, or, in the case of property, rights and interests which have not been subjected to exceptional measures of war, until three months from the coming into force of the present Treaty, shall be returned to the owners.

The property, rights and interests restored shall not be subject to any tax levied in respect of any other property or any other business owned by the same person after such property had been removed from Austria, or such business had ceased to be carried on therein.

If taxes of any kind have been paid in anticipation in respect of property, rights and interests removed from Austria, the proportion of such taxes

paid for any period subsequent to the removal of the property, rights and interests in question shall be returned to the owners.

Cash assets shall be paid in the currency and at the rate of exchange provided for the case of debts under Articles 248 (*H. 231*) (d) and 271 (*H. 254*).

Legacies, donations and funds given or established in the former Austro-Hungarian Monarchy for the benefit of nationals of the former Austrian Empire shall be placed by Austria, so far as the funds in question are in her territory, at the disposition of the Allied or Associated Power of which the persons in question are now nationals, in the condition in which these funds were on July 28, 1914, taking account of payments properly made for the purpose of the Trust.

(H. Legacies, donations and funds given or established in the former Kingdom of Hungary for the benefit of nationals of that Kingdom shall be placed by Hungary, so far as the funds in question are in her territory, at the disposition of the Allied or Associated Power of which the persons in question are now, or become, under the provisions of the present Treaty, or of any Treaties concluded for the purpose of completing the present settlement, nationals, in the condition in which these funds were on July 28, 1914, taking account of payments properly made for the purpose of the trust.)

Where under the terms of family trusts which continue to be administered by the Hungarian State the rights of the beneficiaries are subject to their retaining Hungarian nationality, the presumptive beneficiaries will retain their right to pensions, expenses of education, dowries and similar privileges, even if they acquire now or subsequently, under the present Treaty or any Treaties concluded for the purpose of completing the present settlement, the nationality of one of the States to which territory of the former Kingdom of Hungary is transferred by the said Treaties.

Where in consequence of the extinction of a family in whose favour such a trust had been constituted the funds would revert to the Hungarian State or to an institution of that State, such right of succession will pass to the State to which the last beneficiary belonged.)

ARTICLE 267. (*H. 250.*)

Notwithstanding the provisions of Article 249 (*H. 232*) and the Annex to Section IV the property, rights and interests of Austrian nationals or companies controlled by them situated in the territories which formed part of the former Austro-Hungarian Monarchy shall not be subject to retention or liquidation in accordance with these provisions.

Such property, rights and interests shall be restored to their owners freed from any measure of this kind, or from any other measure of transfer, compulsory administration or sequestration, taken since November 3, 1918, until the coming into force of the present Treaty, in the condition in which they were before the application of the measures in question.

(H. Claims made by Hungarian nationals under this Article shall be submitted to the Mixed Arbitral Tribunal provided for by Article 239.)

The property, rights, and interests here referred to do not include property which is the subject of Article 208 (*H. 191*) Part IX (Financial Clauses).

Nothing in this Article shall affect the provisions laid down in Part VIII (Reparation), Section I, Annex III, as to property of Austrian nationals in ships and boats.

ARTICLE 268. (*H. 251.*)

All contracts for the sale of goods for delivery by sea concluded before January 1, 1917, between nationals of the former Austrian Empire on (*H. of*) the one part and the administrations of the former Austro-Hungarian Monarchy, Austria, or Bosnia-Herzegovina, or Austrian nationals on the other part shall be annulled, except in respect of any debt or other pecuniary obligation arising out of any act done or money paid thereunder. All other

contracts between such parties which were made before November 1, 1918, and were in force at that date shall be maintained.

ARTICLE 269. (*H. 252.*)

With regard to prescriptions, limitations and forfeitures in the transferred territories, the provisions of Articles 252 (*H. 235*) and 253 (*H. 236*) shall be applied with substitution for the expression "outbreak of war" of the expression "date, which shall be fixed by administrative decision of each Allied or Associated Power, at which relations between the parties became impossible in fact or in law," and for the expression "duration of the war" of the expression "period between the date above indicated and that of the coming into force of the present Treaty."

ARTICLE 270. (*H. 253.*)

Austria undertakes not to impede in any way the transfer of property, rights or interests belonging to a company incorporated in accordance with the laws of the former Austro-Hungarian Monarchy, in which Allied or Associated nationals are interested, to a company incorporated in accordance with the laws of any other Power, to facilitate all measures necessary for giving effect to such transfer, and to render any assistance which may be required for effecting the restoration to Allied or Associated nationals, or to companies in which they are interested, of their property, rights or interests whether in Austria or in transferred territory.

ARTICLE 271. (*H. 254.*)

Section III, except Article 248 (*H. 231*) (*d*), shall not apply to debts contracted between Austrian nationals and nationals of the former Austrian Empire.

Subject to the special provisions laid down in Article 248 (*H. 231*) (*d*) for the case of the new States, these debts shall be paid in the legal currency at the time of payment of the State of which the national of the former Austrian Empire has become a national, and the rate of exchange applicable shall be the average rate quoted on the Geneva Exchange during the two months preceding November 1, 1918.

ARTICLE 272. (*H. 255.*)

Insurance companies whose principal place of business was in territory which previously formed part of the former Austro-Hungarian Monarchy shall have the right to carry on their business in Austrian territory for a period of ten years from the coming into force of the present Treaty, without the rights which they previously enjoyed being affected in any way by the change of nationality.

During the above period the operations of such companies shall not be subjected by Austria to any higher tax or charge than shall be imposed on the operations of national companies. No measure in derogation of their rights of property shall be imposed upon them which is not equally applied to the property, rights or interests of Austrian insurance companies; adequate compensation shall be paid in the event of the application of any such measures.

These provisions shall only apply so long as Austrian insurance companies previously carrying on business in the transferred territories, even if their principal place of business was outside such territories, are reciprocally accorded a similar right to carry on their business therein.

After the period of ten years above referred to, the provisions of Article 228 (*H. 211*) of the present Treaty shall apply in regard to the Allied and Associated companies in question.

(H. The provisions of this Article shall apply similarly to co-operative societies, provided that the legal position of such societies places upon their

members effective responsibility for all operations and contracts within the objects of such societies.)

ARTICLE 273. (H. 256.)

Special agreements will determine the division of the property of associations or public corporations carrying on their functions in territory which is divided in consequence of the present Treaty.

ARTICLE 274. (H. 257.)

States to which territory of the former Austro-Hungarian Monarchy is transferred, and States arising from the dismemberment of that Monarchy, shall recognise and give effect to rights of industrial, literary and artistic property in force in the territory at the time when it passes to the State in question, or re-established or restored in accordance with the provisions of Article 258 (H. 241) of the present Treaty. These rights shall remain in force in that territory for the same period as that for which they would have remained in force under the law of the former Austro-Hungarian Monarchy.

A special convention shall determine all questions relative to the records, registers and copies in connection with the protection of industrial, literary or artistic property, and fix their eventual transmission or communication by the Offices of the former Austro-Hungarian Monarchy to the Offices of the States to which are transferred territory of the said Monarchy and to the Offices of new States.

ARTICLE 275. (H. 258.)

Without prejudice to other provisions of the present Treaty, the Austrian Government undertakes so far as it is concerned to hand over to any Power to which territory of the former Austro-Hungarian Monarchy is transferred, or which arises from the dismemberment of that Monarchy, such portion of the reserves accumulated by the Governments or the administrations of the former Austro-Hungarian Monarchy, or by public or private organisations under their control, as is attributable to the carrying on of Social or State Insurance in such territory.

The Powers to which these funds are handed over must apply them to the performance of the obligations arising from such insurances.

The conditions of the delivery will be determined by special conventions to be concluded between the Austrian Government and the Governments concerned.

In case these special conventions are not concluded in accordance with the above paragraph within three months after the coming into force of the present Treaty, the conditions of transfer shall in each case be referred to a Commission of five members, one of whom shall be appointed by the Austrian Government, one by the other interested Government and three by the Governing Body of the International Labour Office from the nationals of other States. This Commission shall by majority vote within three months after appointment adopt recommendations for submission to the Council of the League of Nations, and the decisions of the Council shall forthwith be accepted as final by Austria and the other Governments concerned.

(H. Article 259.) (not in A.)

The provisions of the present Section referring to the relations between Hungary or Hungarian nationals and the nationals of the former Kingdom of Hungary apply to relations of the same nature between Hungary or Hungarian nationals and the nationals of the former Austrian Empire referred to in Article 263 of the Treaty of Peace with Austria.

Reciprocally, the provisions of Section VIII of Part X of the said Treaty referring to the relations between Austria or Austrian nationals and the nationals of the former Austrian Empire apply to relations of the same nature between Austria or Austrian nationals and the nationals of the former Kingdom of Hungary referred to in Article 246 of the present Treaty (i.e. H. 246).

PART XI.—AERIAL NAVIGATION

ARTICLE 276. (*II. 260.*)

The aircraft of the Allied and Associated Powers shall have full liberty of passage and landing over and in the territory of Austria and shall enjoy the same privileges as Austrian aircraft, particularly in case of distress.

ARTICLE 277. (*II. 261.*)

The aircraft of the Allied and Associated Powers shall, while in transit to any foreign country whatever, enjoy the right of flying over the territory of Austria without landing, subject always to any regulations which may be made by Austria, and which shall be applicable equally to the aircraft of Austria and to those of the Allied and Associated countries.

ARTICLE 278. (*II. 262.*)

All aerodromes in Austria open to national public traffic shall be open for the aircraft of the Allied and Associated Powers, and in any such aerodrome such aircraft shall be treated on a footing of equality with Austrian aircraft as regards charges of every description, including charges for landing and accommodation.

ARTICLE 279. (*II. 263.*)

Subject to the present provisions, the rights of passage, transit and landing provided for in Articles 276, 277 and 278 (*II. 260, 261 and 262*) are subject to the observance of such regulations as Austria may consider it necessary to enact, but such regulations shall be applied without distinction to Austrian aircraft and to those of the Allied and Associated countries.

ARTICLE 280. (*II. 264.*)

Certificates of nationality, airworthiness, or competency and licences issued or recognised as valid by any of the Allied or Associated Powers, shall be recognised in Austria as valid and as equivalent to the certificates and licences issued by Austria.

ARTICLE 281. (*II. 265.*)

As regards internal commercial air traffic, the aircraft of the Allied and Associated Powers shall enjoy in Austria most-favoured nation treatment.

ARTICLE 282. (*II. 266.*)

Austria undertakes to enforce the necessary measures to ensure that all Austrian aircraft flying over her territory shall comply with the Rules as to lights and signals, Rules of the Air and Rules for Air Traffic on and in the neighbourhood of aerodromes, which have been laid down in the Convention relative to Aerial Navigation concluded between the Allied and Associated Powers.

ARTICLE 283. (*II. 267.*)

The obligations imposed by the preceding provisions shall remain in force until January 1, 1923, unless before that date Austria shall have been admitted into the League of Nations or shall have been authorised by consent of the Allied and Associated Powers to adhere to the Convention relative to Aerial Navigation concluded between those Powers.

PART XII.—PORTS, WATERWAYS, AND RAILWAYS

SECTION I.—GENERAL PROVISIONS.

ARTICLE 284. (H. 268.)

Austria undertakes to grant freedom of transit through her territories on the routes most convenient for international transit, either by rail, navigable waterway or canal, to persons, goods, vessels, carriages, wagons and mails coming from or going to the territories of any of the Allied and Associated Powers, whether contiguous or not.

Such persons, goods, vessels, carriages, wagons and mails shall not be subjected to any transit duty or to any undue delays or restriction, and shall be entitled in Austria to national treatment as regards charges, facilities and all other matters.

Goods in transit shall be exempt from all customs or other similar duties.

All charges imposed on transport in transit shall be reasonable, having regard to the conditions of the traffic. No charge, facility or restriction shall depend directly or indirectly on the ownership or on the nationality of the ship or other means of transport on which any part of the through journey has been, or is to be, accomplished.

ARTICLE 285. (H. 269.)

Austria undertakes neither to impose nor to maintain any control over transmigration traffic through her territories beyond measures necessary to ensure that passengers are *bond fide* in transit; nor to allow any shipping company or any other private body, corporation or person interested in the traffic to take any part whatever in, or to exercise any direct or indirect influence over any administrative service that may be necessary for this purpose.

ARTICLE 286. (H. 270.)

Austria undertakes to make no discrimination or preference, direct or indirect, in the duties, charges and prohibitions relating to importations into or exportations from her territories, or, subject to the special engagements contained in the present Treaty, in the charges and conditions of transport of goods or persons entering or leaving her territories based on the frontier crossed; or on the kind, ownership, or flag of the means of transport (including aircraft) employed; or on the original or immediate place of departure of the vessel, wagon or aircraft or other means of transport employed, or its ultimate or intermediate destination; or on the route of or places of transshipment on the journey; or on whether the goods are imported or exported directly through an Austrian port or indirectly through a foreign port; or on whether the goods are imported or exported by land or by air.

Austria particularly undertakes not to establish against the ports and vessels of any of the Allied and Associated Powers any surtax or any direct or indirect bounty for export or import by Austrian ports or ships, or by those of another Power, for example, by means of combined tariffs. She further undertakes that persons or goods passing through a port or using a vessel of any of the Allied and Associated Powers shall not be subjected to any formality or delay whatever to which such persons or goods would not be subjected if they passed through an Austrian port or a port of any other Power, or used an Austrian vessel or a vessel of any other Power.

ARTICLE 287. (H. 271.)

All necessary administrative and technical measures shall be taken to expedite, as much as possible, the transmission of goods across the Austrian frontiers and to ensure their forwarding and transport from such frontiers,

irrespective of whether such goods are coming from or going to the territories of the Allied and Associated Powers or are in transit from or to those territories, under the same material conditions in such matters as rapidity of carriage and care *en route* as are enjoyed by other goods of the same kind carried on Austrian territory under similar conditions of transport.

In particular, the transport of perishable goods shall be promptly and regularly carried out, and the customs formalities shall be effected in such a way as to allow the goods to be carried straight through by trains which make connection.

ARTICLE 288. (*H. 272.*)

The seaports of the Allied and Associated Powers are entitled to all favours and to all reduced tariffs granted on Austrian railways or navigable waterways for the benefit of any port of another Power.

ARTICLE 289. (*H. 273.*)

Austria may not refuse to participate in the tariffs or combinations of tariffs intended to secure for ports of any of the Allied and Associated Powers advantages similar to those granted by Austria to the ports of any other Power.

SECTION II.—NAVIGATION.

Chapter I.—*Freedom of Navigation.*

ARTICLE 290. (*H. 274.*)

The nationals of any of the Allied and Associated Powers as well as their vessels and property shall enjoy in all Austrian ports and on the inland navigation routes of Austria the same treatment in all respects as Austrian nationals, vessels and property.

In particular the vessels of any one of the Allied or Associated Powers shall be entitled to transport goods of any description, and passengers, to or from any ports or places in Austrian territory to which Austrian vessels may have access, under conditions which shall not be more onerous than those applied in the case of national vessels; they shall be treated on a footing of equality with national vessels as regards port and harbour facilities and charges of every description, including facilities for stationing, loading and unloading, and duties and charges of tonnage, harbour, pilotage, lighthouse, quarantine, and all analogous duties and charges of whatsoever nature, levied in the name of or for the profit of the Government, public functionaries, private individuals, corporations or establishments of any kind.

In the event of Austria granting a preferential régime to any of the Allied or Associated Powers or to any other foreign Power, this régime shall be extended immediately and unconditionally to all the Allied and Associated Powers.

There shall be no impediment to the movement of persons or vessels other than those arising from prescriptions concerning customs, police, sanitation, emigration and immigration, and those relating to the import and export of prohibited goods. Such regulations must be reasonable and uniform and must not impede traffic unnecessarily.

Chapter II.—*Clauses Relating to the Danube.*

1. *General Clauses Relating (H. Relative) to River Systems Declared International.*

ARTICLE 291. (*H. 275.*)

The following river is declared international: the Danube from Ulm; together with all navigable parts of this river system which naturally provide more than one State with access to the sea, with or without transhipment

from one vessel to another, as well as the portion of the course of the Morava (March) and the Thaya (Theiss) forming the frontier between Czecho-Slovakia and Austria, and lateral canals and channels constructed either to duplicate or to improve naturally navigable sections of the specified river system or to connect two naturally navigable sections of the same river.

The same shall apply to the Rhine-Danube navigable waterway, should such a waterway be constructed, under the conditions laid down in Article 308.

Any part of the above-mentioned river system which is not included in the general definition may be declared international by an agreement between the riparian States.

ARTICLE 292. (H. 276.)

On the waterways declared to be international in the preceding Article, the nationals, property and flags of all Powers shall be treated on a footing of perfect equality, no distinction being made, to the detriment of the nationals, property or flag of any Power, between them and the nationals, property or flag of the riparian State itself or of the most-favoured nation.

ARTICLE 293. (H. 277.)

Austrian vessels shall not be entitled to carry passengers or goods by regular services between the port of any Allied or Associated Power, without special authority from such Power.

ARTICLE 294. (H. 278.)

Where such charges are not precluded by any existing convention, charge (*H. charges*) varying on different sections of a river may be levied on vessels using the navigable channels or their approaches, provided that they are intended solely to cover equitably the cost of maintaining in a navigable condition, or of improving, the river and its approaches, or to meet expenditure incurred in the interests of navigation. The schedule of such charges shall be calculated on the basis of such expenditure and shall be posted up in the ports. These charges shall be levied in such a manner as to render any detailed examination of cargoes unnecessary, except in cases of suspected fraud or contravention.

ARTICLE 295. (H. 279.)

The transit of vessels, passengers and goods on these waterways shall be effected in accordance with the general conditions prescribed for transit in Section I above.

When the two banks of an international river are within the same State, goods in transit may be placed under seal or in the custody of customs agents. When the river forms a frontier, goods and passengers in transit shall be exempt from all customs formalities; the loading and unloading of goods, and the embarkation and disembarkation of passengers, shall only take place in the ports specified by the riparian State.

ARTICLE 296. (H. 280.)

No dues of any kind other than those provided for in this Part shall be levied along the course or at the mouth of these waterways.

This provision shall not prevent the fixing by the riparian States of customs, local octroi or consumption duties, or the creation of reasonable and uniform charges levied in the ports, in accordance with public tariffs, for the use of cranes, elevators, quays, warehouses and other similar constructions.

ARTICLE 297. (H. 281.)

In default of any special organisation for carrying out the works connected with the upkeep and improvement of the international portion of a navigable system, each riparian State shall be bound to take the necessary

measures to remove any obstacle or danger to navigation and to ensure the maintenance of good conditions of navigation.

If a State neglects to comply with this obligation, any riparian State, or any State represented on the International Commission, may appeal to the tribunal instituted for this purpose by the League of Nations.

ARTICLE 298. (*H. 282.*)

The same procedure shall be followed in the case of a riparian State undertaking any works of a nature to impede navigation in the international section. The tribunal mentioned in the preceding Article shall be entitled to enforce the suspension or suppression of such works, making due allowance in its decisions for all rights in connection with irrigation, water-power, fisheries and other national interests, which, with the consent of all the riparian States or of all the States represented on the International Commission, shall be given priority over the requirements of navigation.

Appeal to the Tribunal of the League of Nations does not require the suspension of the works.

ARTICLE 299. (*II. 283.*)

The régime set out in Articles 292 (*II. 276*) and 294 to 298 (*H. 278 to 282*) above shall be superseded by one to be laid down in a General Convention drawn up by the Allied and Associated Powers, and approved by the League of Nations, relating to the waterways recognised in such Convention as having an international character. This Convention shall apply in particular to the whole or part of the above-mentioned river system of the Danube, and such other parts of that river system as may be covered by a general definition.

Austria undertakes, in accordance with the provisions of Article 331 (*H. 314*), to adhere to the said General Convention.

ARTICLE 300. (*H. 284.*)

Austria shall cede to the Allied and Associated Powers concerned, within a maximum period of three months from the date on which notification shall be given her, a proportion of the tugs and vessels remaining registered in the ports of the river system referred to in Article 291 (*H. 276*) after the deduction of those surrendered by way of restitution or reparation. Austria shall in the same way cede material of all kinds necessary to the Allied and Associated Powers concerned for the utilisation of that river system.

The number of (*H. the*) tugs and boats (*H. vessels*), and the amount of the material so ceded, and their distribution, shall be determined by an arbitrator or arbitrators nominated by the United States of America, due regard being had to the legitimate needs of the parties concerned, and particularly to the shipping traffic during the five years preceding the war.

All craft so ceded shall be provided with their fittings and gear, shall be in a good state of repair and in condition to carry goods, and shall be selected from among those most recently built.

Wherever the cessions made under the present Article involve a change of ownership, the arbitrator or arbitrators shall determine the rights of the former owners as they stood on October 15, 1918, and the amount of the compensation to be paid to them, and shall also direct the manner in which such payment is to be effected in each case. If the arbitrator or arbitrators find that the whole or part of this sum will revert directly or indirectly to States from whom reparation is due, they shall decide the sum to be placed under this head to the credit of the said States.

As regards the Danube, the arbitrator or arbitrators referred to in this Article will also decide all questions as to the permanent allocation and the conditions thereof of the vessels whose ownership or nationality is in dispute between States.

Pending final allocation, the control of these vessels shall be vested in a Commission consisting of representatives of the United States of America, the British Empire, France and Italy, who will be empowered to make provisional arrangements for the working of these vessels in the general interest by any local organisation, or, failing such arrangements, by themselves, without prejudice to the final allocation.

As far as possible these provisional arrangements will be on a commercial basis, the net receipts by the Commission for the hire of these vessels being disposed of as directed by the Reparation Commission.

2. *Special Clauses relating to the Danube.*

ARTICLE 301. (*H. 285.*)

The European Commission of the Danube reassumes the powers it possessed before the war. Nevertheless, as a provisional measure, only representatives of Great Britain, France, Italy and Roumania shall constitute this Commission.

ARTICLE 302. (*H. 286.*)

From the point where the competence of the European Commission ceases, the Danube system referred to in Article 291 (*H. 275*) shall be placed under the administration of an International Commission composed as follows :—

- 2 representatives of German riparian States ;
- 1 representative of each other riparian State ;
- 1 representative of each non-riparian State represented in the future on the European Commission of the Danube.

If certain of these representatives cannot be appointed at the time of the coming into force of the present Treaty, the decisions of the Commission shall nevertheless be valid.

ARTICLE 303. (*H. 287.*)

The International Commission provided for in the preceding Article shall meet as soon as possible after the coming into force of the present Treaty, and shall undertake provisionally the administration of the river in conformity with the provisions of Articles 292 (*H. 276*) and 294 to 298 (*H. 278 to 282*), until such time as a definitive statute regarding the Danube is concluded by the Powers nominated by the Allied and Associated Powers.

The decisions of this International Commission shall be taken by a majority vote. The salaries of the Commissioners shall be fixed and paid by their respective countries.

As a provisional measure any deficit in the administrative expense (*H. expenses*) of this International Commission shall be borne equally by the States represented on the Commission.

In particular, this Commission shall regulate the licensing of pilots, charges for pilotage, and the administration of the pilot service.

ARTICLE 304. (*H. 288.*)

Austria agrees to accept the régime which shall be laid down for the Danube by a Conference of the Powers nominated by the Allied and Associated Powers, which shall meet within one year after the coming into force of the present Treaty, and at which Austrian representatives may be present.

(H. Until such time as a definite statute regarding the Danube is concluded, the International Commission provided for in Article 286 shall have provisionally under its control the equipment, buildings and installations used for carrying out and maintaining works on the section of the Danube between Turnu-Severin and Moldava. The final allocation of the equipment, buildings and installations shall be determined by the conference provided for in the preceding paragraph.

Hungary renounces all interest in and all control over the said equipment, buildings and installations.)

ARTICLE 305. (*H. 289.*)

The mandate given by Article 57 of the Treaty of Berlin of July 13, 1878, to Austria-Hungary, and transferred by her to Hungary, to carry out works at the Iron Gates, is abrogated. The Commission entrusted with the administration of this part of the river shall lay down provisions for the settlement of accounts subject to the financial provisions of the present Treaty. Charges which may be necessary shall in no case be levied by Hungary.

ARTICLE 306. (*H. 290.*)

Should the Czecho-Slovak State, the Serb-Croat-Slovene State, or Roumania, with the authorisation of or under mandate from the International Commission, undertake maintenance, improvement, weir, or other works on a part of the river system which forms a frontier, these States shall enjoy on the opposite bank, and also on the part of the bed which is outside their territory, all necessary facilities for the survey, execution and maintenance of such works.

ARTICLE 307. (*H. 291.*)

Austria shall be obliged to make to the European Commission of the Danube all restitutions, reparations and indemnities for damages inflicted on the Commission during the war.

ARTICLE 308. (*not in H.*)

Should a deep-draught Rhine-Danube navigable waterway be constructed, Austria hereby undertakes to accept the application to the said navigable waterway of the same régime as that prescribed in Articles 292 and 294 to 299 of the present Treaty.

Chapter III.—*Hydraulic System.*

ARTICLE 309. (*H. 292 includes Arts. 309–310.*)

In default of any provisions to the contrary, when as the result of the fixing of a new frontier the hydraulic system (canalisation, inundations, irrigation, drainage or similar matters) in a State is dependent on works executed within the territory of another State, or when use is made on the territory of a State, in virtue of pre-war usage, of water or hydraulic power, the source of which is on the territory of another State, an agreement shall be made between the States concerned to safeguard the interests and rights acquired by each of them.

Failing an agreement, the matter shall be regulated by an arbitrator appointed by the Council of the League of Nations.

ARTICLE 310. (*last pars. of H. 292.*)

Unless otherwise provided, when use is made for municipal or domestic purposes in one State of electricity or water, the source of which as the result of the fixing of a new frontier is on the territory of another State, an agreement shall be made between the States concerned to safeguard the interests and rights acquired by each of them.

Pending an agreement, central electric stations and waterworks shall be required to continue the supply up to an amount corresponding to the undertakings and contracts in force on November 3, 1918.

Failing an agreement (*H. in the case of either of the above paragraphs, and subject to the provisions of Article 293*), the matter shall be regulated by an arbitrator appointed by the Council of the League of Nations.

(*H. ARTICLE 293. (not in A.)*)

In view of the application of Article 292 to the territories of the former Kingdom of Hungary forming the Basin of the Danube, excluding the Basin of the Olt, as well as for the exercise of the powers provided for below, there shall be set

up, in the common interest of the States possessing sovereignty over the territories in question, a permanent technical Hydraulic System Commission, composed of one representative of each of the States territorially concerned and a Chairman appointed by the Council of the League of Nations.

This Commission shall bring about the conclusion, and supervise and, in urgent cases, ensure the carrying out, of the agreements provided for in Article 292; it shall maintain and improve, particularly as regards deforestation and afforestation, the uniform character of the hydraulic system, as well as of the services connected therewith, such as the hydrometric service and the service of information as to the rising of the waters. It shall also study questions relating to navigation, excepting those falling within the competence of the Commission for regulating the navigation of the Upper Danube, which it shall refer to the said Commission, and it shall give special consideration to fishery interests. The Commission shall in addition undertake all works or schemes and shall establish all services with which it may be charged by the unanimous consent of the interested States.

The Hydraulic System Commission shall meet within three months from the coming into force of the present Treaty; it shall draw up a regulation as to its functions and procedure, which will be subject to approval by the States concerned.

Any disputes which may arise out of the matters dealt with in this Article shall be settled as provided by the League of Nations.

SECTION III.—RAILWAYS.

Chapter I.—Freedom of Transit to the Adriatic for Austria.

ARTICLE 311. (*H. 294.*)

Free access to the Adriatic Sea is accorded to Austria, who with this object will enjoy freedom of transit over the territories and in the ports severed from the former Austro-Hungarian Monarchy.

Freedom of transit is the freedom defined in Article 284 (*H. 268*) until such time as a General Convention on the subject shall have been concluded between the Allied and Associated Powers, whereupon the dispositions of the new Convention shall be substituted therefor.

Special conventions between the States or Administrations concerned will lay down the conditions of the exercise of the right accorded above, and will settle in particular the method of using the ports and the free zones existing in them (*H. and the railways ordinarily giving access thereto*), the establishment of international (joint) services and tariffs including through tickets and waybills, and the maintenance of the Convention of Berne of October 14, 1890, and its supplementary provisions until its replacement by a new Convention.

Freedom of transit will extend to postal, telegraphic and telephonic services.

Chapter II.—Clauses Relating to International Transport.

ARTICLE 312. (*H. 295.*)

Goods coming from the territories of the Allied and Associated Powers, and going to Austria, or in transit through Austria from or to the territories of the Allied and Associated Powers, shall enjoy on the Austrian railways as regards charges to be collected (rebates and drawbacks being taken into account), facilities, and in all other matters, the most favourable treatment applied to goods of the same kind carried on any Austrian lines, either in internal traffic, or for export, import or in transit, under similar conditions of transport, for example as regards length of route. The same rule shall be applied, on the request of one or more of the Allied and Associated Powers, to goods specially designated by such Power or Powers coming from Austria and going to their territories.

International tariffs established in accordance with the rates referred to in the preceding paragraph and involving through way-bills shall be established when one of the Allied and Associated Powers shall require it from Austria.

However, without prejudice to the provisions of Articles 288 (*H. 272*) and 289 (*H. 273*), Austria undertakes to maintain on her own lines the régime of tariffs existing before the war as regards traffic to Adriatic and Black Sea ports, from the point of view of competition with North German ports.

ARTICLE 313. (*H. 296.*)

From the coming into force of the present Treaty the High Contracting Parties shall renew, in so far as concerns them and under the reserves indicated in the second paragraph of the present Article, the Conventions and arrangements signed at Berne on October 14, 1890, September 20, 1893, July 16, 1895, June 16, 1898, and September 19, 1906, regarding the transportation of goods by rail.

If within five years from the date of the coming into force of the present Treaty a new Convention for the transportation of passengers, luggage and goods by rail shall have been concluded to replace the Berne Convention of October 14, 1890, and the subsequent additions referred to above, this new Convention and the supplementary provisions for international transport by rail which may be based on it shall bind Austria, even if she shall have refused to take part in the preparation of the Convention or to subscribe to it. Until a new Convention shall have been concluded, Austria shall conform to the provisions of the Berne Convention and the subsequent additions referred to above, and to the current supplementary provisions.

ARTICLE 314. (*H. 297.*)

Austria shall be bound to co-operate in the establishment of through ticket services (for passengers and their luggage) which shall be required by any of the Allied and Associated Powers to ensure their communication by rail with each other and with all other countries by transit across the territories of Austria; in particular Austria shall, for this purpose, accept trains and carriages coming from the territories of the Allied and Associated Powers and shall forward them with a speed at least equal to that of her best long-distance trains on the same lines. The rates applicable to such through services shall not in any case be higher than the rates collected on Austrian internal services for the same distance, under the same conditions of speed and comfort.

The tariffs applicable under the same conditions of speed and comfort to the transportation of emigrants going to or coming from ports of the Allied and Associated Powers and using the Austrian railways, shall not be at a higher kilometric rate than the most favourable tariffs (drawbacks and rebates being taken into account) enjoyed on the said railways by emigrants going to or coming from any other ports.

ARTICLE 315. (*H. 298.*)

Austria shall not apply specially to such through services, or to the transportation of emigrants going to or coming from the ports of the Allied and Associated Powers, any technical, fiscal or administrative measures, such as measures of customs examination, general police, sanitary police, and control, the result of which would be to impede or delay such services.

ARTICLE 316. (*H. 299.*)

In case of transport partly by rail and partly by internal navigation, with or without through way-bill, the preceding Articles shall apply to the part of the journey performed by rail.

Chapter III.—*Rolling-stock.*ARTICLE 317. (*H. 300.*)

Austria undertakes that Austrian wagons shall be fitted with apparatus allowing :

(1.) of their inclusion in goods trains on the lines of such of the Allied and Associated Powers as are parties to the Berne Convention of May 15, 1886, as modified on May 18, 1907, without hampering the action of the continuous brake which may be adopted in such countries within ten years of the coming into force of the present Treaty, and

(2.) of the inclusion of wagons of such countries in all goods trains on Austrian lines.

The rolling stock of the Allied and Associated Powers shall enjoy on the Austrian lines the same treatment as Austrian rolling stock as regards movement, upkeep and repairs.

Chapter IV.—*Transfers of Railway Lines.*ARTICLE 318. (*H. 301.*)

Subject to any special provisions concerning the transfer of ports, waterways and railways situated in the territories transferred under the present Treaty, and to the financial conditions relating to the concessionnaires and the pensioning of the personnel, the transfer of railways will take place under the following conditions :

(1.) The works and installations of all the railroads shall be handed over complete and in good condition.

(2.) When a railway system possessing its own rolling-stock is handed over in its entirety by Austria to one of the Allied and Associated Powers, such stock shall be handed over complete, in accordance with the last inventory before November 3, 1918, and in a normal state of upkeep.

(3.) As regards lines without any special rolling-stock, the distribution of the stock existing on the system to which these lines belong shall be made by Commissions of experts designated by the Allied and Associated Powers, on which Austria shall be represented. These Commissions shall have regard to the amount of the material registered on these lines in the last inventory before November 3, 1918, (*H. to*) the length of track (sidings included), and the nature and amount of the traffic. These Commissions shall also specify the locomotives, carriages and wagons to be handed over in each case ; they shall decide upon the conditions of their acceptance, and shall make the provisional arrangements necessary to ensure their repair in Austrian workshops.

(4.) Stocks of stores, fittings and plant shall be handed over under the same conditions as the rolling-stock.

The provisions of paragraphs 3 and 4 above shall be applied to the lines of former Russian Poland converted by the Austro-Hungarian authorities to the normal gauge, such lines being regarded as detached from the Austrian and Hungarian State systems.

Chapter V.—*Provisions Relating to Certain Railway Lines.*ARTICLE 319. (*H. 302.*)

When as a result of the fixing of new frontiers a railway connection between two parts of the same country crosses another country, or a branch line from one country has its terminus in another, the conditions of working, if not specifically provided for in the present Treaty, shall be laid down in a convention between the railway administrations concerned. If the administrations cannot come to an agreement as to the terms of such convention, the points of difference shall be decided by commissions of experts composed as provided in the preceding Article.

(H. In particular, the convention as to the working of the line between Csata and Losonczi shall provide for the direct passage in each direction through Hungarian territory of Czecho-Slovak trains with Czecho-Slovak traction and Czecho-Slovak train crews. Nevertheless, unless otherwise agreed, this right of passage shall lapse either on the completion of a direct connection wholly in Czecho-Slovak territory between Csata and Losonczi or at the expiration of fifteen years from the coming into force of the present Treaty, whichever may occur first.

Similarly, the convention as to the working of the portion in Hungarian territory of the line from Nagyszalonta through Békéscsaba to Arad and to Kisjenő shall provide for the direct passage in each direction through Hungarian territory of Roumanian trains with Roumanian traction and Roumanian train crews. Unless otherwise agreed this right of passage shall lapse either on the completion of a direct connection wholly in Roumanian territory between the Nagyszalonta-Békéscsaba and the Kisjenő-Békéscsaba lines or at the expiration of ten years from the coming into force of the present Treaty.)

The establishment of all the new frontier stations between Austria and the contiguous Allied and Associated States, as well as the working of the lines between those stations, shall be settled by agreements similarly concluded.

(H. Article 303.) (not in A.)

In order to assure to the town and district of Gola in Serb-Croat-Slovene territory the use of the station of Gola in Hungarian territory and of the railway serving the same, and in order to ensure the free use to Serb-Croat-Slovene traffic of direct railway connection between the Csáktornya-Nagy-Kanisza line and the Zágráb-Gyékényés line during the time required for the completion of a direct railway in Serb-Croat-Slovene territory between the above lines, the conditions of working of the station of Gola and of the railway from Kotor to Barcz shall be laid down in a convention between the Hungarian and Serb-Croat-Slovene railway administrations concerned. If these administrations cannot come to an agreement as to the terms of such convention, the points of difference shall be decided by the competent Commission of experts referred to in Article 301 of the present Treaty.

ARTICLE 320. (H. 304.)

With the object of ensuring regular utilisation of the railroads of the former Austro-Hungarian Monarchy owned by private companies which, as a result of the stipulations of the present Treaty, will be situated in the territory of several States, the administrative and technical reorganisation of the said lines shall be regulated in each instance by an agreement between the owning company and the States territorially concerned.

Any differences on which agreement is not reached, including questions relating to the interpretation of contracts concerning the expropriation of the lines, shall be submitted to arbitrators designated by the Council of the League of Nations.

This arbitration may, as regards the South Austrian Railway Company, be required either by the Board of Management or by the Committee representing the bondholders.

ARTICLE 321. (not in H.)

Within a period of five years from the coming into force of the present Treaty, Italy may require the construction or improvement on Austrian territory of the new transalpine lines of the Col de Reschen and the Pas de Predil. Unless Austria decides to pay for the works herself, the cost of construction or improvement shall be paid by Italy. An arbitrator appointed by the Council of the League of Nations shall, after the lapse of such period as may be fixed by the Council, determine the portion of the cost of construction or improvement which must be repaid by Austria to Italy on account of the increase of revenue on the Austrian railway system resulting from these works.

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Austria shall hand over to Italy gratuitously the surveys, with their annexes, for the construction of the following railway lines :

The line from Tarvis to Trieste by Raibl, Plezzo, Caporetto, Canale, and Gorizia ;

The local line from S. Lucia de Tolmino to Caporetto ;

The line from Tarvis to Plezzo (new scheme) ;

The Reschen line connecting Landeck and Mals.

(H. Article 305.) (not in A.)

Within a period of five years from the coming into force of the present Treaty, the Czecho-Slovak State may require the improvement of the Bratislava (Pressburg)-Nagy-Kanisza line on Hungarian territory.

The expenses shall be divided in proportion to the advantages derived by the interested States. Failing agreement, such division shall be made by an arbitrator appointed by the League of Nations.

ARTICLE 322. (H. 306.)

In view of the importance to the Czecho-Slovak State of free communication between that State and the Adriatic, Austria recognises the right of the Czecho-Slovak State to run its own trains over the sections included within her territory of the following lines :

(1) from Bratislava (Pressburg) towards Fiume via Sopron, Szombathely (H. Szombathely) and Mura Keresztur, and a branch from Mura Keresztur to Pragerhof ;

(2) from Budejovic (Budweis) towards Trieste via Linz, S. Michael, Klagenfurt, and Assling, and the branch from Klagenfurt towards Tarvisio.

(H. (2) from Bratislava (Pressburg) towards Fiume via Hegyeshalon, Csorna, Hegyfalu, Zalaber, Zalaszentiván, Mura-Keresztur, and the branch lines from Hegyfalu to Szombathely and from Mura-Keresztur to Pragerhof.)

On the application of either party, the route to be followed by the Czecho-Slovak trains may be modified either permanently or temporarily by mutual agreement between the Czecho-Slovak Railway Administration and those of the railways over which the running powers are exercised.

ARTICLE 323. (H. 307 includes Arts. 323-4.)

The trains for which the running powers are used shall not engage in local traffic, except by agreement between Austria (H. the State traversed) and the Czecho-Slovak State.

Such running powers will include, in particular, the right to establish running sheds with small shops for minor repairs to locomotives and rolling-stock, and to appoint representatives where necessary to supervise the working of Czecho-Slovak trains.

ARTICLE 324. (3rd and 4th pars. H. 307.)

The technical, administrative and financial conditions under which the rights of the Czecho-Slovak State shall be exercised shall be laid down in a Convention between the railway administration of the Czecho-Slovak State and the railway administrations of the Austrian systems concerned. If the administrations cannot come to an agreement on the terms of this Convention, the points of difference shall be decided by an arbitrator nominated by Great Britain, and his decisions shall be binding on all parties.

In the event of disagreement as to the interpretation of the Convention or of difficulties arising unprovided for in the Convention, the same form of arbitration will be adopted until such time as the League of Nations may lay down some other procedure.

Chapter VI.—*Transitory Provision.*ARTICLE 325. (*H. 308.*)

Austria shall carry out the instructions given her, in regard to transport, by an authorised body acting on behalf of the Allied and Associated Powers :

(1) for the carriage of troops under the provisions of the present Treaty, and of material, ammunition and supplies for army use ;

(2) as a temporary measure, for the transportation of supplies for certain regions, as well as for the restoration, as rapidly as possible, of the normal conditions of transport, and for the organization of postal and telegraphic services.

Chapter VII.—*Telegraphs and Telephones.*ARTICLE 326. (*H. 309.*)

Notwithstanding any contrary stipulations in existing treaties, Austria undertakes to grant freedom of transit for telegraphic correspondence and telephonic communications coming from or going to any one of the Allied and Associated Powers, whether neighbours or not, over such lines as may be most suitable for international transit and in accordance with the tariffs in force. This correspondence and these communications shall be subjected to no unnecessary delay or restriction ; they shall enjoy in Austria national treatment in regard to every kind of facility and especially in regard to rapidity of transmission. No payment, facility or restriction shall depend directly or indirectly on the nationality of the transmitter or the addressee.

ARTICLE 327. (*H. 310.*)

In view of the geographical situation of the Czecho-Slovak State Austria agrees to the following modifications in the International Telegraph and Telephone Conventions referred to in Article 235 (*H. 218*), Part X (Economic Clauses), of the present Treaty :

(1.) On the demand of the Czecho-Slovak State Austria shall provide and maintain trunk telegraph lines across Austrian territory.

(2.) The annual rent to be paid by the Czecho-Slovak State for each of such lines will be calculated in accordance with the provisions of the above-mentioned Conventions, but unless otherwise agreed shall not be less than the sum that (*H. which*) would be payable under those Conventions for the number of messages laid down in those Conventions as conferring the right to demand a new trunk line, taking as a basis the reduced tariff provided for in Article 23, paragraph 5, of the International Telegraph Convention as revised at Lisbon.

(3.) So long as the Czecho-Slovak State shall pay the above minimum annual rent of a trunk line :

(a.) the line shall be reserved exclusively for transit traffic to and from the Czecho-Slovak State ;

(b.) the faculty given to Austria by Article 8 of the International Telegraph Convention of July 22, 1875, to suspend international telegraph services shall not apply to that line.

(4.) Similar provisions will apply to the provision and maintenance of trunk telephone circuits, but the rent payable by the Czecho-Slovak State for a trunk telephone circuit shall, unless otherwise agreed, be double the rent payable for a trunk telegraph line.

(5.) The particular lines to be provided together with any necessary administrative, technical and financial conditions not provided for in existing International Conventions or in this Article shall be fixed by a further convention between the States concerned. In default of agreement on such convention they will be fixed by an arbitrator appointed by the Council of the League of Nations.

(6.) The stipulations of the present Article may be varied at any time by agreement between Austria and the Czecho-Slovak State. After the expiration of ten years from the coming into force of the present Treaty the conditions under which the Czecho-Slovak State shall enjoy the rights conferred by this Article may, in default of agreement by the parties, be modified at the request of either party by an arbitrator designated by the Council of the League of Nations.

(7.) In case of any dispute between the parties as to the interpretation either of this Article or of the Convention referred to in paragraph 5, this dispute shall be submitted for decision to the Permanent Court of International Justice to be established by the League of Nations.

SECTION IV.—DISPUTES AND REVISION OF PERMANENT CLAUSES

ARTICLE 328. (*H. 311.*)

Disputes which may arise between interested Powers with regard to the interpretation and application of this Part of the present Treaty shall be settled as provided by the League of Nations.

ARTICLE 329. (*H. 312.*)

At any time the League of Nations may recommend the revision of such of the above Articles as relate to a permanent administrative régime.

ARTICLE 330. (*H. 313.*)

The stipulations in Articles {284 to 290, 293, 312, 314 to 316, and 326 (*H. 268 to 274, 277, 295, 297 to 299 and 309*)} shall be subject to revision by the Council of the League of Nations at any time after three years from the coming into force of the present Treaty.

Failing such revision, no Allied or Associated Power can claim after the expiration of the above period of three years the benefit of any of the stipulations in the Articles enumerated above on behalf of any portion of its territories in which reciprocity is not accorded in respect of such stipulations. The period of three years during which reciprocity cannot be demanded may be prolonged by the Council of the League of Nations.

The benefit of the stipulations mentioned above cannot be claimed by States to which territory of the former Austro-Hungarian Monarchy has been transferred, or which have arisen out of the dismemberment of that Monarchy, except upon the footing of giving in the territory passing under their sovereignty in virtue of the present Treaty reciprocal treatment to Austria.

SECTION V.—SPECIAL PROVISION

ARTICLE 331. (*H. 314.*)

Without prejudice to the special obligations imposed on her by the present Treaty for the benefit of the Allied and Associated Powers, Austria undertakes to adhere to any General Conventions regarding the international régime of transit, waterways, ports or railways which may be concluded by the Allied and Associated Powers, with the approval of the League of Nations, within five years from the coming into force of the present Treaty.

PART XIII.—LABOUR

(See Vol. III, pp. 314-28)

PART XIV.—MISCELLANEOUS PROVISIONS

ARTICLE 373. (*H. 356.*)

Austria undertakes to recognise and to accept the conventions made or to be made by the Allied and Associated Powers or any of them with any other Power as to the traffic in arms and in spirituous liquors, and also as to the other subjects dealt with in the General Acts of Berlin of February 26, 1885, and of Brussels of July 2, 1890, and the conventions completing or modifying the same.

ARTICLE 374. (*H. 357.*)

The High Contracting Parties declare and place on record that they have taken note of the Treaty signed by the Government of the French Republic on July 17, 1918, with His Serene Highness the Prince of Monaco defining the relations between France and the Principality.

ARTICLE 375. (*H. 358.*)

The High Contracting Parties, while they recognise the guarantees stipulated by the Treaties of 1815, and especially by the Act of November 20, 1815, in favour of Switzerland, the said guarantees constituting international obligations for the maintenance of peace, declare nevertheless that the provisions of these treaties, conventions, declarations and other supplementary Acts concerning the neutralized zone of Savoy, as laid down in paragraph 1 of Article 92 of the Final Act of the Congress of Vienna and in paragraph 2 of Article 3 of the Treaty of Paris of November 20, 1815, are no longer consistent with present conditions. For this reason the High Contracting Parties take note of the agreement reached between the French Government and the Swiss Government for the abrogation of the stipulations relating to this zone which are and remain abrogated.

The High Contracting Parties also agree that the stipulations of the Treaties of 1815 and of the other supplementary Acts concerning the free zones of Upper Savoy and the Gex district are no longer consistent with present conditions, and that it is for France and Switzerland to come to an agreement together with a view to settling between themselves the status of these territories under such conditions as shall be considered suitable by both countries.

ANNEX. (*Also in H.*)

I.

The Swiss Federal Council has informed the French Government on May 5, 1919, that after examining the provisions of Article 435 of the Peace conditions presented to Germany by the Allied and Associated Powers in a like spirit of sincere friendship it has happily reached the conclusion that it was possible to acquiesce in it under the following conditions and reservations :

(1.) The neutralised zone of Haute-Savoie :

(a.) It will be understood that as long as the Federal Chambers have not ratified the agreement come to between the two Governments concerning the abrogation of the stipulations in respect of the neutralised zone of Savoy, nothing will be definitively settled, on one side or the other, in regard to this subject.

(b.) The assent given by the Swiss Government to the abrogation of the above-mentioned stipulations presupposes, in conformity with the text adopted, the recognition of the guarantees formulated in favour of Switzerland by the Treaties of 1815 and particularly by the Declaration of November 20, 1815.

(c.) The agreement between the Governments of France and Switzerland for the abrogation of the above-mentioned stipulations will only be considered as valid if the Treaty of Peace contains this Article in its present wording.

In addition the Parties to the Treaty of Peace should endeavour to obtain the assent of the signatory Powers of the Treaties of 1815 and of the Declaration of November 20, 1815, which are not signatories of the present Treaty of Peace.

(2.) Free zone of Haute-Savoie and the district of Gex :

(a.) The Federal Council makes the most express reservations to the interpretation to be given to the statement mentioned in the last paragraph of the above Article for insertion in the Treaty of Peace, which provides that "the stipulations of the Treaties of 1815 and other supplementary acts concerning the free zones of Haute-Savoie and the Gex district are no longer consistent with present conditions." The Federal Council would not wish that its acceptance of the above wording should lead to the conclusion that it would agree to the suppression of a system intended to give neighbouring territory the benefit of a special régime which is appropriate to the geographical and economical situation and which has been well tested.

In the opinion of the Federal Council the question is not the modification of the customs system of the zones as set up by the Treaties mentioned above, but only the regulation in a manner more appropriate to the economic conditions of the present day of the terms of the exchange of goods between the regions in question. The Federal Council has been led to make the preceding observations by the perusal of the draft convention concerning the future constitution of the zones which was annexed to the note of April 26 from the French Government. While making the above reservations the Federal Council declares its readiness to examine in the most friendly spirit any proposals which the French Government may deem it convenient to make on the subject.

(b.) It is conceded that the stipulations of the Treaties of 1815 and other supplementary acts relative to the free zones will remain in force until a new arrangement is come to between France and Switzerland to regulate matters in this territory.

II.

The French Government have addressed to the Swiss Government, on May 18, 1919, the following note in reply to the communication set out in the preceding paragraph :

In a note dated May 5 the Swiss Legation in Paris was good enough to inform the Government of the French Republic that the Federal Government adhered to the proposed Article to be inserted in the Treaty of Peace between the Allied and Associated Governments and Germany.

The French Government have taken note with much pleasure of the agreement thus reached, and, at their request, the proposed Article, which had been accepted by the Allied and Associated Governments, has been inserted under No. 435 in the Peace conditions presented to the German Plenipotentiaries.

The Swiss Government, in their note of May 5 on this subject, have expressed various views and reservations.

Concerning the observations relating to the free zones of Haute-Savoie and the Gex district, the French Government have the honour to observe that the provisions of the last paragraph of Article 435 are so clear that their purport cannot be misapprehended, especially where it implies that no other Power but France and Switzerland will in future be interested in that question.

The French Government, on their part, are anxious to protect the interests of the French territories concerned, and, with that object, having their special situation in view, they bear in mind the desirability of assuring them a suitable customs régime and determining, in a manner better suited to present conditions, the methods of exchanges between these territories and the

adjacent Swiss territories, while taking into account the reciprocal interests of both regions.

It is understood that this must in no way prejudice the right of France to adjust her customs line in this region in conformity with her political frontier, as is done on the other portions of her territorial boundaries, and as was done by Switzerland long ago on her own boundaries in this region.

The French Government are pleased to note on this subject in what a friendly disposition the Swiss Government take this opportunity of declaring their willingness to consider any French proposal dealing with the system to be substituted for the present régime of the said free zones, which the French Government intend to formulate in the same friendly spirit.

Moreover, the French Government have no doubt that the provisional maintenance of the régime of 1815 as to the free zones referred to in the above-mentioned paragraph of the note from the Swiss Legation of May 5, whose object is to provide for the passage from the present régime to the conventional régime, will cause no delay whatsoever in the establishment of the new situation which has been found necessary by the two Governments. This remark applies also to the ratification by the Federal Chambers, dealt with in paragraph 1 (a), of the Swiss note of May 5, under the heading "Neutralised zone of Haute-Savoie."

ARTICLE 376. (H. 359.)

The Allied and Associated Powers agree that where Christian religious missions were being maintained by Austrian societies or persons in territory belonging to them, or of which the government is entrusted to them in accordance with the present Treaty, the property which these missions or missionary societies possessed, including that of trading societies whose profits were devoted to the support of missions, shall continue to be devoted to missionary purposes. In order to ensure the due execution of this undertaking the Allied and Associated Governments will hand over such property to boards of trustees appointed by or approved by the Governments and composed of persons holding the faith of the Mission whose property is involved.

The Allied and Associated Governments, while continuing to maintain full control as to the individuals by whom the Missions are conducted, will safeguard the interests of such Missions.

Austria, taking note of the above undertaking, agrees to accept all arrangements made or to be made by the Allied or Associated Government concerned for carrying on the work of the said missions or trading societies and waives all claims on their behalf.

ARTICLE 377. (H. 360.)

Without prejudice to the provisions of the present Treaty, Austria undertakes not to put forward directly or indirectly against any Allied or Associated Power, signatory of the present Treaty, any pecuniary claim based on events which occurred at any time before the coming into force of the present Treaty.

The present stipulation will bar completely and finally all claims of this nature, which will be thenceforward extinguished, whoever may be the parties in interest.

ARTICLE 378. (H. 361.)

Austria accepts and recognises as valid and binding all decrees and orders concerning Austro-Hungarian ships and Austrian goods and all orders relating to the payment of costs made by any Prize Court of any of the Allied or Associated Powers, and undertakes not to put forward any claim arising out of such decrees or orders on behalf of any Austrian national.

The Allied and Associated Powers reserve the right to examine in such manner as they may determine all decisions and orders of Austro-Hungarian Prize Courts, whether affecting the property rights of nationals of those Powers or of neutral Powers. Austria agrees to furnish copies of all the

300 AUSTRIAN AND HUNGARIAN TREATIES

documents constituting the record of the cases, including the decisions and orders made, and to accept and give effect to the recommendations made after such examination of the cases.

ARTICLE 379. (H. 362.)

The High Contracting Parties agree that, in the absence of a subsequent agreement to the contrary, the Chairman of any Commission established by the present Treaty shall in the event of an equality of votes be entitled to a second vote.

ARTICLE 380. (H. 363.)

Except where otherwise provided in the present Treaty, in all cases where the Treaty provides for the settlement of a question affecting particularly certain States by means of a special convention to be concluded between the States concerned, it is understood by the High Contracting Parties that difficulties arising in this connection shall, until Austria is admitted to membership of the League of Nations, be settled by the Principal Allied and Associated Powers.

ARTICLE 381. (H. 364.)

In the present Treaty the expression "former Austrian Empire" includes Bosnia and Herzegovina except where the text implies the contrary. This provision shall not prejudice the rights and obligations of Hungary in such territory.

AUSTRIA

The present Treaty, in French, in English, and in Italian, shall be ratified. In case of divergence the French text shall prevail, except in Parts I (Covenant of the League of Nations) and XIII (Labour), where the French and English texts shall be of equal force.

The deposit of ratifications shall be made at Paris as soon as possible.

Powers of which the seat of the Government is outside Europe will be entitled merely to inform the Government of the French Republic through their diplomatic representative at Paris that their ratification has been given; in that case they must transmit the instrument of ratification as soon as possible.

A first *procès-verbal* of the deposit of ratifications will be drawn up as soon as the Treaty has been ratified by Austria on the one hand, and by three of the Principal Allied and Associated Powers on the other hand.

From the date of this first *procès-verbal* the Treaty will come into force between the High Contracting Parties who have ratified it. For the determination of all periods of time provided for in the present Treaty this date will be the date of the coming into force of the Treaty.

In all other respects the Treaty will enter into force for each Power at the date of the deposit of its ratification.

The French Government will transmit to all the signatory Powers a certified copy of the *procès-verbaux* of the deposit of ratifications.

IN FAITH WHEREOF, the above-named Plenipotentiaries have signed the present Treaty.¹

¹ Rumania and the Serb-Croat-Slovene State did not sign, but acceded to the Treaty on the 9th December 1919 and the 5th December 1919 respectively (see p. 382). Neither Mr. Bonar Law nor M. Crespi signed the Treaty, although their names appear at the beginning.

Done at Saint-Germain-en-Laye, the tenth day of September, one thousand nine hundred and nineteen, in a single copy which will remain deposited in the archives of the French Republic, and of which authenticated copies will be transmitted to each of the Signatory Powers.

FRANK L. POLK.
HENRY WHITE.

MILNER.
GEO. N. BARNES.
A. E. KEMP.
G. F. PEARCE.
MILNER.
THOS. MACKENZIE.
SINHA OF RAIPUR.
G. CLEMENCEAU.

S. CHINDA.
K. MATSUI.
H. IJUN.
HYMANS.
J. VAN DEN HEUVEL.
E. VANDERVELDE.
J. R. LOUTSENGTSIANG.
CHENGTING THOMAS WANG.
ANTONIO S. DE BUSTAMANTE

CHAROON.
TRAIDOS PRABANDHU.
RENNER.

TASKER H. BLISS.
ARTHUR JAMES BALFOUR.

S. PICHON.
L. L. KLOTZ.
ANDRÉ TARDIEU.
JULES CAMBON.
TOM. TITTONI.
VITTORIO SCIALOJA.
MAGGIORINO FERRARIS.
GUGLIELMO MARCONI.

N. POLITIS.
A. ROMANOS.
SALVADOR CHAMORRO.
ANTONIO BURGOS.
I. J. PADEREWSKI.
ROMAN DMOWSKI.
AFFONSO COSTA.
AUGUSTO SOARES.

D. KAREL KRAMAR.
DR. EDUARD BENES.

PROTOCOL

With a view to indicating precisely the conditions in which certain provisions of the Treaty of even date are to be carried out, it is agreed by the High Contracting Parties that :

(1) The list of persons to be handed over to the Allied and Associated Governments by Austria under the second paragraph of Article 173 shall be communicated to the Austrian Government within a month from the coming into force of the Treaty ;

(2) The Reparation Commission referred to in Article 186 and paragraphs 2, 3 and 4 of Annex IV, and the special Section provided for in Article 179, cannot require trade secrets or other confidential information to be divulged ;

(3) From the signature of the Treaty and within the ensuing four months Austria will be entitled to submit for examination by the Allied and Associated Powers documents and proposals in order to expedite the work connected with reparation, and thus to shorten the investigation and to accelerate the decisions ;

(4) Proceedings will be taken against persons who have committed punishable offences in the liquidation of Austrian property, and the

302 AUSTRIAN AND HUNGARIAN TREATIES

Allied and Associated Powers will welcome any information or evidence which the Austrian Government can furnish on this subject.

Done in French, in English and in Italian, of which the French text shall prevail in case of divergence, at Saint-Germain-en-Laye, the tenth day of September, one thousand nine hundred and nineteen.

(Here follow signatures as above.)

DECLARATION

With a view to minimising the losses arising from the sinking of ships and cargoes in the course of the war, and to facilitating the recovery of ships and cargoes which can be salvaged and the adjustment of the private claims arising with regard thereto, the Austrian Government undertakes to supply all the information in its power which may be of assistance to the Governments of the Allied and Associated Powers or to their nationals with regard to vessels sunk or damaged by the Austrian naval forces during the period of hostilities.

This Declaration made in French, in English and in Italian, of which the French text shall prevail in case of divergence, and signed at Saint-Germain-en-Laye, the tenth day of September one thousand nine hundred and nineteen.

(Here follow signatures as above, except that Lord Milner did not sign for South Africa.)

SPECIAL DECLARATION

The Austrian Government undertakes, in case of a request by the Governments of the United States, the British Empire, France and Italy, effectively to prohibit the import, export and transit of all articles between Austria and Hungary, and to maintain such prohibition up to the time of the formal acceptance by the Government of Hungary of the terms of peace proposed by the Allied and Associated Governments.

This Declaration made in French, in English and in Italian, of which the French text shall prevail in case of divergence, and signed at Saint-Germain-en-Laye, the tenth day of September, one thousand nine hundred and nineteen.

RENNER.
FRANK L. POLK.
HENRY WHITE.

MILNER.
G. N. BARNES.
A. E. KEMP.
G. F. PEARCE.
MILNER.
THOS. MACKENZIE.
SINHA OF RAIPUR.
G. CLEMENCEAU.
S. CHINDA.
K. MATSUI.

TASKER H. BLISS.
ARTHUR JAMES BALFOUR.

S. PICHON.
L. L. KLOTZ.
ANDRÉ TARDIEU.
JULES CAMBON.
TOM. TITTONI.
VITTORIO SCIALOJA.
MAGGIORINO FERRARIS.
GUGLIELMO MARCONI.
H. IJUIN.

HUNGARY

THE present Treaty, in French, in English, and in Italian, shall be ratified. In case of divergence, the French text shall prevail, except in Parts I (Covenant of the League of Nations) and XIII (Labour), where the French and English texts shall be of equal force.

The deposit of ratifications shall be made at Paris as soon as possible.

Powers of which the seat of the Government is outside Europe will be entitled merely to inform the Government of the French Republic through their diplomatic representative at Paris that their ratification has been given; in that case they must transmit the instrument of ratification as soon as possible.

A first procès-verbal of the deposit of ratifications will be drawn up as soon as the Treaty has been ratified by Hungary on the one hand, and by three of the Principal Allied and Associated Powers on the other hand.

From the date of this first procès-verbal the Treaty will come into force between the High Contracting Parties who have ratified it. For the determination of all periods of time provided for in the present Treaty, this date will be the date of the coming into force of the Treaty.

In all other respects the Treaty will enter into force for each Power at the date of the deposit of its ratification.

The French Government will transmit to all the signatory Powers a certified copy of the procès-verbaux of the deposit of ratifications.

IN FAITH WHEREOF, the above-named Plenipotentiaries have signed the present Treaty.

Done at Trianon, the fourth day of June, one thousand nine hundred and twenty, in a single copy which will remain deposited in the archives of the French Republic, and of which authenticated copies will be transmitted to each of the Signatory Powers.

HUGH C. WALLACE.
DERBY.
GEORGE H. PERLEY.
ANDREW FISHER.
THOMAS MACKENZIE.
R. A. BLANKENBERG.
DERBY.
A. MILLERAND.
F. FRANÇOIS-MARSAL.
AUG. ISAAC.
JULES CAMBON.
PALÉOLOGUE.
BONIN.
M. GRASSI.
K. MATSUI.
J. VAN DEN HEUVEL.
ROLIN-JAEQUEMYS.
VIKYUIN WELLINGTON KOO.

RAFAEL MARTINEZ ORTIZ.
A. ROMANOS.
CARLOS A. VILLANUEVA.
R. A. AMADOR.
E. SAPIEHA.
ERASME PILTZ.
AFFONSO COSTA.
JOÃO CHAGAS.
DR. J. CANTACUZÈNE.
N. TITULESCU.
NIK. P. PACHITCH.
DR. ANTE TRUMBIČ.
DR. IVAN ZOLGER.
CHAROON.
DR. EDWARD BENES.
STEFAN OSUSKY.
A. BÉNARD.
DRASCHE LÁZÁR.

PROTOCOL

With a view to indicating precisely the conditions in which certain provisions of the Treaty of even date are to be carried out, it is agreed by the High Contracting Parties that :

1. The list of persons to be handed over to the Allied and Associated Governments by Hungary, under the second paragraph of Article 157, shall be communicated to the Hungarian Government within a month from the coming into force of the Treaty ;

2. The Reparation Commission referred to in Article 170 and paragraphs 2, 3 and 4 of Annex IV, and the Special Section provided for in Article 163, cannot require trade secrets or other confidential information to be divulged ;

3. From the signature of the Treaty, and within the ensuing four months, Hungary will be entitled to submit for examination by the Allied and Associated Powers documents and proposals in order to expedite the work connected with reparation, and thus to shorten the investigation and to accelerate the decisions ;

4. Proceedings will be taken against persons who have committed punishable offences in the liquidation of Hungarian property, and the Allied and Associated Powers will welcome any information or evidence which the Hungarian Government can furnish on this subject.

Done in French, in English, and in Italian, of which the French text shall prevail in case of divergence, at Trianon, the fourth day of June, one thousand nine hundred and twenty.

DECLARATION

With a view to minimizing the losses arising from the sinking of ships and cargoes in the course of the war, and to facilitating the recovery of ships and cargoes which can be salvaged and the adjustment of the private claims arising with regard thereto, the Hungarian Government undertakes to supply all the information in its power which may be of assistance to the Governments of the Allied and Associated Powers, or to their nationals, with regard to vessels sunk or damaged by the Hungarian naval forces during the period of hostilities.

This declaration made in French, in English, and in Italian, of which the French text shall prevail in case of divergence, at Trianon, the fourth day of June, one thousand nine hundred and twenty.

TREATY OF PEACE BETWEEN THE ALLIED AND ASSOCIATED POWERS AND BULGARIA, AND PROTOCOL¹

Signed at Neuilly-sur-Seine, November 27, 1919.

SCHEME OF ARRANGEMENT

Except for the Covenant of the League of Nations and the Labour Clauses, which are the same in all Treaties and are given in the text of the German Treaty (v. Volume III, pp. 111-23 and pp. 314-28 respectively), the Bulgarian Treaty is based on the Austrian. There are, however, important differences necessitated by the fact that the Bulgarian Military arrangements, Reparation and Finance, and the possession of sea coasts produced divergences from the Austrian model. As in other cases the Frontier Clauses (Art. 27-35) are printed separately. In the subsequent clauses where the Bulgarian article is identical with the Austrian except for the necessary change of names, i. e. for Austria or Austria-Hungary read Bulgaria, and for Austrian read Bulgarian, we have simply indicated the fact as follows :

B. (Bulgaria) 40. See A. (Austria) 62, p. 197.

In case of slight divergences in the text the reference to the Austrian article is given and the alteration or addition given in brackets below. The Bulgarian version is given invariably in italics, e. g.

Austria.

ART. 167. The Allied and Associated Governments reserve the right to make the repatriation of Austrian prisoners of war or Austrian nationals in their hands conditional upon the immediate notification and release by the Austrian Government of any prisoners of war and other nationals of the Allied and Associated Powers **who are still held in Austria** against their will.

Bulgaria.

ART. 112. The Allied and Associated Governments reserve the right to make the repatriation of Bulgarian prisoners of war or Bulgarian nationals in their hands conditional upon the immediate notification and release by the Bulgarian Government of any prisoners of war and other nationals of the Allied and Associated Powers *who may be still retained in Bulgaria* against their will.

B. 112. See A. 167, p. 217.

(Except that for A. 'who are still held in' read B. '*who may be still retained in*'.)

In a few cases it has been found necessary to refer to the Hungarian article, which is distinguished by the symbol H., e. g.

B. 219. See H. 275, pp. 285-6.

It will be found that in most cases the differences marked are comparatively trifling, as when they are in any way serious the whole article has been printed. In the latter case the equivalent Austrian article (if there is one) is placed after the Bulgarian. References are given to the page of the Austrian or Hungarian article as required, and consequently little difficulty will be experienced in using the Treaty.

¹ Treaty Series 1920, No. 5. (Cmd. 522).

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Treaty of Peace between the Allied and Associated Powers and Bulgaria, and Protocol.

Signed at Neuilly-sur-Seine, November 27, 1919.

THE UNITED STATES OF AMERICA, THE BRITISH EMPIRE, FRANCE, ITALY and JAPAN.

These Powers being described in the present Treaty as the Principal Allied and Associated Powers ;

BELGIUM, CHINA, CUBA, GREECE, THE HEDJAZ, POLAND, PORTUGAL, ROUMANIA, THE SERB-CROAT-SLOVENE STATE, SIAM and CZECHO-SLOVAKIA,

These Powers constituting, with the Principal Powers mentioned above, the Allied and Associated Powers,

of the one part ;

And BULGARIA,

of the other part ;

Whereas on the request of the Royal Government of Bulgaria an Armistice was granted to Bulgaria on September 29, 1918, by the Principal Allied and Associated Powers in order that a Treaty of Peace might be concluded, and

Whereas the Allied and Associated Powers are equally desirous that the war in which certain among them were successively involved, directly or indirectly, against Bulgaria, and which originated in the declaration of war against Serbia on July 28, 1914, by Austria-Hungary, and in the hostilities opened by Bulgaria against Serbia on October 11, 1915, and conducted by Germany in alliance with Austria-Hungary, with Turkey and with Bulgaria, should be replaced by a firm, just and durable Peace,

For this purpose the HIGH CONTRACTING PARTIES have appointed as their Plenipotentiaries : -

THE PRESIDENT OF THE UNITED STATES OF AMERICA :

The Honourable Frank Lyon POLK, Under-Secretary of State ;

The Honourable Henry WHITE, formerly Ambassador Extraordinary and Plenipotentiary of the United States at Rome and Paris ;

General Tasker H. BLISS, Military Representative of the United States on the Supreme War Council ;

HIS MAJESTY THE KING OF THE UNITED KINGDOM OF GREAT BRITAIN AND IRELAND AND OF THE BRITISH DOMINIONS BEYOND THE SEAS, EMPEROR OF INDIA :

Mr. Cecil HARMSWORTH, M.P., Under-Secretary of State for Foreign Affairs ;

Sir Eyre CROWE, K.C.B., K.C.M.G., Minister Plenipotentiary, Assistant Under-Secretary of State for Foreign Affairs ;

And :

for the DOMINION of CANADA :

The Honourable Sir George Halsey PERLEY, K.C.M.G., High Commissioner for Canada in the United Kingdom ;

for the COMMONWEALTH of AUSTRALIA :

The Right Honourable Andrew FISHER, High Commissioner for Australia in the United Kingdom ;

for the UNION of SOUTH AFRICA :

Mr. Reginald Andrew BLANKENBERG, O.B.E., Acting High Commissioner for the Union of South Africa in the United Kingdom ;

for the DOMINION of NEW ZEALAND :

The Honourable Sir Thomas MACKENZIE, K.C.M.G., High Commissioner for New Zealand in the United Kingdom ;

for INDIA :

Sir Eyre CROWE, K.C.B., K.C.M.G.

THE PRESIDENT OF THE FRENCH REPUBLIC :

Mr. Georges CLEMENCEAU, President of the Council, Minister of War ;
Mr. Stephen PICHON, Minister for Foreign Affairs ;
Mr. Louis-Lucien KLOTZ, Minister of Finance ;
Mr. André TARDIEU, Commissary General for Franco-American Military Affairs ;
Mr. Jules CAMBON, Ambassador of France ;

HIS MAJESTY THE KING OF ITALY :

The Honourable Maggiorino FERRARIS, Senator of the Kingdom ;
The Honourable Guglielmo MARCONI, Senator of the Kingdom ;
Sir Giacomo de MARTINO, Envoy Extraordinary and Minister Plenipotentiary ;

HIS MAJESTY THE EMPEROR OF JAPAN :

Mr. K. MATSUI, Ambassador Extraordinary and Plenipotentiary of H.M. the Emperor of Japan at Paris ;

HIS MAJESTY THE KING OF THE BELGIANS :

Mr. Jules van den HEUVEL, Envoy Extraordinary and Minister Plenipotentiary, Minister of State ;
Mr. ROLIN-JAEQUEMYS, Member of the Institute of Private International Law, Secretary-General of the Belgian Delegation ;

THE PRESIDENT OF THE CHINESE REPUBLIC :

Mr. Vikyuin Wellington Koo ;
Mr. Sao-ke Alfred Sze ;

THE PRESIDENT OF THE CUBAN REPUBLIC :

Mr. Rafael Martinez ORTIZ, Envoy Extraordinary and Minister Plenipotentiary of the Cuban Republic at Paris ;

HIS MAJESTY THE KING OF THE HELLENES :

Dr. Elefthérios VENISÉLOS, President of the Council of Ministers ;
Mr. Nicolas POLITIS, Minister for Foreign Affairs ;

HIS MAJESTY THE KING OF THE HEDJAZ :

Mr. Rustem HAIDAR ;
Mr. Abdul Hadi AOUNI ;

THE PRESIDENT OF THE POLISH REPUBLIC :

Mr. Ladislas GRABSKI ;
Mr. Stanislas PATEK, Minister Plenipotentiary ;

THE PRESIDENT OF THE PORTUGUESE REPUBLIC :

Dr. Affonso DA COSTA, formerly President of the Council of Ministers ;
Mr. Jayme BATALHA REIS, Minister Plenipotentiary ;

HIS MAJESTY THE KING OF ROUMANIA :

Mr. Victor ANTONESCO, Envoy Extraordinary and Minister Plenipotentiary of H.M. the King of Roumania at Paris ;
 General Constantin COANDA, Corps Commander, A.D.C. to the King,
 formerly President of the Council of Ministers ;

HIS MAJESTY THE KING OF THE SERBS, THE CROATS, AND THE SLOVENES :

Mr. Nicolas P. PACHITCH, formerly President of the Council of Ministers ;
 Mr. Ante TRUMBIĆ, Minister for Foreign Affairs ;
 Mr. Ivan ZOLGER, Doctor of Law ;

HIS MAJESTY THE KING OF SIAM :

His Highness Prince CHAROON, Envoy Extraordinary and Minister Plenipotentiary of H.M. the King of Siam at Paris ;

THE PRESIDENT OF THE CZECHO-SLOVAK REPUBLIC :

Mr. Eduard BENES, Minister for Foreign Affairs ;
 Mr. Stephen OSUSKY, Envoy Extraordinary and Minister Plenipotentiary of the Czecho-Slovak Republic at London ;

BULGARIA :

Mr. Alexander STAMBOLIISKI, President of the Council of Ministers,
 Minister of War ;

WHO, having communicated their full powers, found in good and due form,
 have AGREED AS FOLLOWS :

From the coming into force of the present Treaty the state of war will terminate.

From that moment, and subject to the provisions of the present Treaty, official relations will exist between the Allied and Associated Powers and Bulgaria.

PART I.—THE COVENANT OF THE LEAGUE OF NATIONS

B. 1-26 and Annex. See Vol. III, German Treaty, Arts. 1-26 and Annex,
 pp. 111-23.

PART II.—FRONTIERS OF BULGARIA**ARTICLE 27.**

The frontiers of Bulgaria shall be fixed as follows (*see annexed Map*) :

1. With the Serb-Croat-Slovene State :

From the confluence of the Timok and the Danube, which is the point common to the three frontiers of Bulgaria, Roumania and the Serb-Croat-Slovene State, southwards to a point to be selected on the course of the Timok near point 38 west of Bregovo,

the course of the Timok upstream ;

thence south-westwards to the point east of Vk. Izvor, where the old frontier between Serbia and Bulgaria meets the river Bezdanica,

a line to be fixed on the ground passing through points 274 and 367, following generally the watershed between the basins of the Timok on the north-west and the Delejna and Topolovitsa on the south-east,

leaving to the Serb-Croat-Slovene State Kojilovo, Sipikovo and Halovo with the road connecting the two latter places, and to Bulgaria Bregovo, Rakitnica and Kosovo ;

thence southwards to point 1720, about 12 kilometres west-south-west of Berkovitsa,

the old frontier between Bulgaria and Serbia ;

thence south-eastwards for about $1\frac{1}{2}$ kilometres to point 1929 (Srebrena gl.),

a line to be fixed on the crest of the Kom Balkan ;

thence south-south-westwards to point 1109, on the Vidlič Gora south of Vlkovija,

a line to be fixed on the ground passing through points 1602 and 1844, passing east of Grn. Krivodol, and crossing the river Komstica about $1\frac{1}{2}$ kilometres above Dl. Krivodol ;

thence to a point on the Tsaribrod-Sofiya road immediately west of its junction with the road to Kalotina,

a line to be fixed on the ground passing east of Mözgos, west of Staninci, east of Brebevnica and through point 738 north-east of Lipinci ;

thence west-south-westwards to a point to be selected on the course of the river Lukavica about 1,100 metres north-east of Slivnica.

a line to be fixed on the ground ;

thence southwards to the confluence, west of Visan, of the Lukavica with the stream on which Dl. Nevlja is situated,

the course of the Lukavica upstream ;

thence south-westwards to the confluence of a stream with the Jablanica, west of Vrabca,

a line to be fixed on the ground passing through point 879 and cutting the road from Trn to Tsaribrod immediately south of the junction of this road with the direct road from Trn to Pirot ;

thence northwards to the confluence of the Jablanica and the Jerma (Trnska),

the course of the Jablanica ;

thence westwards to a point to be selected on the old frontier at the salient near Descani Kladenac,

a line to be fixed on the ground following the crest of the Ruj Planina and passing through points 1199, 1466, and 1706 ;

thence south-westwards to point 1516 (Golema Rudina) about 17 kilometres west of Trn,

the old Serb-Bulgarian frontier ;

thence southwards to a point to be selected on the river Jerma (Trnska) east of Strezimirovci,

a line to be fixed on the ground ;

thence southwards to the river Dragovishtitsa immediately below the confluence of rivers near point 672,

a line to be fixed on the ground passing west of Dzincovci, through points 1112 and 1829, following the watershed between the basins of the rivers Bozicka and Meljanska and passing through points 1781, 1671, 1780 and 1058 ;

thence south-westwards to the old Serb-Bulgarian frontier at point

1833, about 10 kilometres north-west of the point where the road from Kriva (Egri)-Palanka to Kyustendil cuts this frontier,

a line to be fixed on the ground following the watershed between the Dragovishtitsa on the north-west and the Lomnica and Sovolstica on the south-east ;

thence south-eastwards to point 1445 on the Males Planina south-west of Dobrilaka,

the old Serb-Bulgarian frontier ;

thence south-south-westwards to Tumba (point 1253) on the Belashitza Planina, the point of junction of the three frontiers of Greece, Bulgaria and the Serb-Croat-Slovene State.

a line to be fixed on the ground passing through point 1600 on the Ograjden Planina, passing east of Stinek and Badilen, west of Bajkovo, cutting the Strumitsa about 3 kilometres east of point 177, and passing east of Gabrinovo.

2. *With Greece :*

From the point defined above eastwards to the point where it leaves the watershed between the basins of the Mesta-Karasu on the south and the Maritsa (Marica) on the north near point 1587 (Dibikli),

the frontier of 1913 between Bulgaria and Greece,

3. *On the South, with territories which shall be subsequently attributed by the Principal Allied and Associated Powers :*

Thence eastwards to point 1295 situated about 18 kilometres west of Kuchuk-Derbend,

a line to be fixed on the ground following the watershed between the basin of the Maritsa on the north, and the basins of the Mesta Karasu and the other rivers which flow directly into the Ægean Sea on the south ;

thence eastwards to a point to be chosen on the frontier of 1913 between Bulgaria and Turkey about 4 kilometres north of Kuchuk-Derbend,

a line to be fixed on the ground following as nearly as possible the crest line forming the southern limit of the basin of the Akčehisar (Dzuma) Suju ;

thence northwards to the point where it meets the river Maritsa, the frontier of 1913 ;

thence to a point to be chosen about 3 kilometres below the railway station of Hadi-K. (Kadikoj),

the principal course of the Maritsa downstream ;

thence northwards to a point to be chosen on the apex of the salient formed by the frontier of the Treaty of Sofia, 1915, about 10 kilometres east-south-east of Jisr Mustafa Pasha,

a line to be fixed on the ground ;

thence eastwards to the Black Sea,

the frontier of the Treaty of Sofia, 1915, then the frontier of 1913.

4. *The Black Sea.*

5. *With Roumania :*

From the Black Sea to the Danube,

the frontier existing on August 1, 1914 ;

thence to the confluence of the Timok and the Danube,

the principal channel of navigation of the Danube upstream.

ARTICLE 28. (A. 28.)

The frontiers described by the present Treaty are traced, for such parts as are defined, on the one in a million map attached to the present Treaty. In case of differences between the text and the map, the text will prevail.

ARTICLE 29. (A. 29.)

Boundary Commissions, whose composition is or will be fixed in the present Treaty or any other Treaty between the Principal Allied and Associated Powers and the, or any, interested Powers, will have to trace these frontiers on the ground.

They shall have the power, not only of fixing those portions which are defined as "a line to be fixed on the ground," but also, where a request to that effect is made by one of the Powers concerned, and the Commission is satisfied that it is desirable to do so, of revising portions defined by administrative boundaries; this shall not, however, apply in the case of international frontiers existing in August, 1914, where the task of the Commission will confine itself to the re-establishment of sign-posts and boundary-marks. They shall endeavour in both cases to follow as nearly as possible the descriptions given in the Treaties, taking into account as far as possible administrative boundaries and local economic interests.

The decisions of the Commissions will be taken by a majority, and shall be binding on the parties concerned.

The expenses of the Boundary Commissions shall be borne in equal shares by the two States concerned.

ARTICLE 30. (A. 30.)

In so far as frontiers defined by a waterway are concerned, the phrases "course" or "channel" used in the descriptions of the present Treaty signify, as regards non-navigable rivers, the median line of the waterway or of its principal branch, and, as regards navigable rivers, the median line of the principal channel of navigation. It will rest with the Boundary Commissions provided for by the present Treaty to specify whether the frontier line shall follow any changes of the course or channel which may take place, or whether it shall be definitely fixed by the position of the course or channel at the time when the present Treaty comes into force.

ARTICLE 31. (A. 31.)

The various Powers interested undertake to furnish to the Commissions all documents necessary for their tasks, especially authentic copies of agreements fixing existing or old frontiers, all large scale maps in existence, geodetic data, surveys completed but unpublished, and information concerning the changes of frontier watercourses.

They also undertake to instruct the local authorities to communicate to the Commissions all documents, especially plans, cadastral and land books, and to furnish on demand all details regarding property, existing economic conditions, and other necessary information.

ARTICLE 32. (A. 32.)

The various Powers interested undertake to give every assistance to the Boundary Commissions, whether directly or through local authorities, in everything that concerns transport, accommodation, labour, material (signposts, boundary pillars) necessary for the accomplishment of their mission.

ARTICLE 33. (A. 33.)

The various Powers interested undertake to safeguard the trigonometrical points, signals, posts or frontier marks erected by the Commissions.

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ARTICLE 34. (A. 34.)

The pillars will be placed so as to be intervisible ; they will be numbered, and their position and their number will be noted on a cartographic document.

ARTICLE 35. (A. 35.)

The protocols defining the boundary and the maps and documents attached thereto will be made out in triplicate, of which two copies will be forwarded to the Governments of the limitrophe Powers and the third to the Government of the French Republic, which will deliver authentic copies to the Powers who sign the present Treaty.

PART III.—POLITICAL CLAUSES

SECTION I.—SERB-CROAT-SLOVENE STATE

ARTICLE 36. (A. 46.)

Bulgaria, in conformity with the action already taken by the Allied and Associated Powers, recognises the Serb-Croat-Slovene State.

ARTICLE 37. (A. 47.)

Bulgaria renounces in favour of the Serb-Croat-Slovene State all rights and title over the territories of the Bulgarian Monarchy situated outside the frontiers of Bulgaria as laid down in Article 27, Part II (Frontiers of Bulgaria), and recognised by the present Treaty, or by any Treaties concluded for the purpose of completing the present settlement, as forming part of the Serb-Croat-Slovene State.

ARTICLE 38. (A. 48.)

A Commission consisting of seven members, five nominated by the Principal Allied and Associated Powers, one by the Serb-Croat-Slovene State, and one by Bulgaria, shall be constituted within fifteen days from the coming into force of the present Treaty to trace on the spot the frontier line described in Article 27 (1), Part II (Frontiers of Bulgaria).

ARTICLE 39.

Bulgarian nationals habitually resident in the territories assigned to the Serb-Croat-Slovene State will acquire Serb-Croat-Slovene nationality *ipso facto* and will lose their Bulgarian nationality.

Bulgarian nationals, however, who become resident in these territories after January 1, 1913, will not acquire Serb-Croat-Slovene nationality without a permit from the Serb-Croat-Slovene State.

ARTICLE 40.

Within a period of two years from the coming into force of the present Treaty, Bulgarian nationals over 18 years of age and habitually resident in the territories which are assigned to the Serb-Croat-Slovene State in accordance with the present Treaty will be entitled to opt for their former nationality. Serb-Croat-Slovenes over 18 years of age who are Bulgarian nationals and habitually resident in Bulgaria will have a similar right to opt for Serb-Croat-Slovene nationality.

Option by a husband will cover his wife and option by parents will cover their children under 18 years of age.

Persons who have exercised the above right to opt must within the succeeding twelve months transfer their place of residence to the State for which they have opted.

They will be entitled to retain their immovable property in the territory

of the other State where they had their place of residence before exercising their right to opt. They may carry with them their movable property of every description. No export or import duties may be imposed upon them in connection with the removal of such property.

Within the same period Serb-Croat-Slovenes who are Bulgarian nationals and are in a foreign country will be entitled, in the absence of any provisions to the contrary in the foreign law, and if they have not acquired the foreign nationality, to obtain Serb-Croat-Slovene nationality and lose their Bulgarian nationality by complying with the requirements laid down by the Serb-Croat-Slovene State.

ARTICLE 41. (A. 52.)

The proportion and nature of the financial obligations of Bulgaria which the Serb-Croat-Slovene State will have to assume on account of the territory placed under its sovereignty will be determined in accordance with Article 141, Part VIII (Financial Clauses), of the present Treaty.

Subsequent agreements will decide all questions which are not decided by the present Treaty and which may arise in consequence of the cession of the said territory.

SECTION II.—GREECE

ARTICLE 42.

Bulgaria renounces in favour of Greece all rights and title over the territories of the Bulgarian Monarchy situated outside the frontiers of Bulgaria, as laid down in Article 27, Part II (Frontiers of Bulgaria), and recognised by the present Treaty, or by any Treaties concluded for the purpose of completing the present settlement, as forming part of Greece.

ARTICLE 43.

A Commission consisting of seven members, five nominated by the Principal Allied and Associated Powers, one by Greece, and one by Bulgaria, will be appointed fifteen days after the coming into force of the present Treaty to trace on the spot the frontier line described in Article 27 (2), Part II (Frontiers of Bulgaria), of the present Treaty.

ARTICLE 44.

Bulgarian nationals habitually resident in the territories assigned to Greece will obtain Greek nationality *ipso facto* and will lose their Bulgarian nationality.

Bulgarian nationals, however, who became resident in these territories after January 1, 1913, will not acquire Greek nationality without a permit from Greece.

ARTICLE 45.

Within a period of two years from the coming into force of the present Treaty, Bulgarian nationals over 18 years of age and habitually resident in the territories assigned to Greece in accordance with the present Treaty will be entitled to opt for Bulgarian nationality.

Option by a husband will cover his wife and option by parents will cover their children under 18 years of age.

Persons who have exercised the above right to opt must within the succeeding twelve months transfer their place of residence to the State for which they have opted.

They will be entitled to retain their immovable property in the territory of the other State where they had their place of residence before exercising their right to opt. They may carry with them their movable property of every description. No export or import duties may be imposed upon them in connection with the removal of such property.

ARTICLE 46.

Greece accepts and agrees to embody in a Treaty with the Principal Allied and Associated Powers such provisions as may be deemed necessary by these Powers to protect the interests of inhabitants of that State who differ from the majority of the population in race, language or religion.¹

Greece further accepts and agrees to embody in a Treaty with the Principal Allied and Associated Powers such provisions as these Powers may deem necessary to protect freedom of transit and equitable treatment for the commerce of other nations.

ARTICLE 47.

The proportion and nature of the financial obligations of Bulgaria which Greece will have to assume on account of the territory placed under her sovereignty will be determined in accordance with Article 141, Part VIII (Financial Clauses), of the present Treaty.

Subsequent agreements will decide all questions which are not decided by the present Treaty and which may arise in consequence of the cession of the said territory.

SECTION III.—THRACE

ARTICLE 48.

Bulgaria renounces in favour of the Principal Allied and Associated Powers all rights and title over the territories in Thrace which belonged to the Bulgarian Monarchy and which, being situated outside the new frontiers of Bulgaria as described in Article 27 (3), Part II (Frontiers of Bulgaria), have not been at present assigned to any State.

Bulgaria undertakes to accept the settlement made by the Principal Allied and Associated Powers in regard to these territories, particularly in so far as concerns the nationality of the inhabitants.

The Principal Allied and Associated Powers undertake to ensure the economic outlets of Bulgaria to the Aegean Sea.

The conditions of this guarantee will be fixed at a later date.

SECTION IV.—PROTECTION OF MINORITIES

B. 49 and 50. See A. 62 and 63, p. 197.

ARTICLE 51. (A. 64.)

Bulgaria admits and declares to be Bulgarian nationals *ipso facto* and without the requirement of any formality all persons who are habitually resident within Bulgarian territory at the date of the coming into force of the present Treaty and who are not nationals of any other State.

B. 52. See A. 65, p. 197.

B. 53. See A. 66, p. 197.

(Except that at beginning of 2nd par. for A. 'Differences of religion, creed or confession' read B. '*Difference of religion, creed or profession*', and last par. for A. 'non-German speech' read B. '*non-Bulgarian speech*'.)

B. 54. See A. 67, p. 197.

B. 55. See A. 68, pp. 197-8.

(Except that in 1st par. for A. 'German' read B. '*Bulgarian*' and 2nd par. for A. 'application of the sums' read B. '*application of sums*').

ARTICLE 56.

Bulgaria undertakes to place no obstacles in the way of the exercise of the right which persons may have under the present Treaty, or under the

¹ App. IV.

treaties concluded by the Allied and Associated Powers with Germany, Austria, Hungary, Russia or Turkey, or with any of the Allied and Associated Powers themselves, to choose whether or not they will recover Bulgarian nationality.

Bulgaria undertakes to recognize such provisions as the Principal Allied and Associated Powers may consider opportune with respect to the reciprocal and voluntary emigration of persons belonging to racial minorities.

B. 57. See A. 69, p. 198.

SECTION V.—GENERAL PROVISIONS

ARTICLE 58.

Bulgaria undertakes to recognize the full force of all treaties or agreements which may be entered into by the Allied and Associated Powers with States now existing or coming into existence in future in the whole or part of the former Empire of Russia as it existed on August 1, 1914, and to recognize the frontiers of any such States as determined therein.

Bulgaria acknowledges and agrees to respect as permanent and inalienable the independence of the said States.

In accordance with the provisions of Article 143, Part VIII (Financial Clauses), and Article 171, Part IX (Economic Clauses), of the present Treaty, Bulgaria accepts definitely the abrogation of the Brest-Litovsk Treaties and of all treaties, conventions and agreements entered into by her with the Maximalist Government in Russia.

The Allied and Associated Powers formally reserve the rights of Russia to obtain from Bulgaria restitution and reparation based on the principles of the present Treaty.

ARTICLE 59. (A. 89.)

Bulgaria hereby recognizes and accepts the frontiers of Austria, Greece, Hungary, Poland, Roumania, the Serb-Croat-Slovene State and the Czechoslovak State as these frontiers may be determined by the Principal Allied and Associated Powers.

ARTICLE 60. (A. 90.)

Bulgaria undertakes to recognise the full force of the Treaties of Peace and additional conventions which have been or may be concluded by the Allied and Associated Powers with the Powers who fought on the side of Bulgaria, and to recognise whatever dispositions have been or may be made concerning the territories of the former German Empire, of Austria, of Hungary, and of the Ottoman Empire, and to recognise the new States within their frontiers as there laid down.

ARTICLE 61. (A. 92.)

No inhabitant of territory ceded by Bulgaria under the present Treaty shall be disturbed or molested on account of his political attitude after July 28, 1914, or of the determination of his nationality effected in accordance with the present Treaty.

ARTICLE 62. (A. 97 and 101.)

Bulgaria declares that she recognises the French Protectorate in Morocco, and that she will make no claim on behalf of herself or her nationals to the benefits or immunities derived from the régime of the capitulations in Morocco. All treaties, agreements, arrangements and contracts concluded by Bulgaria with Morocco are regarded as abrogated as from October 11, 1915.

Moroccan goods entering Bulgaria shall enjoy the treatment accorded to French goods.

ARTICLE 63. (A. 102-3 and 109.)

Bulgaria declares that she recognises the Protectorate proclaimed over Egypt by Great Britain on December 18, 1914, and that she will make no claim on behalf of herself or her nationals to the benefits or immunities derived from the régime of the capitulations in Egypt. All treaties, agreements, arrangements and contracts concluded by Bulgaria with Egypt are regarded as abrogated as from October 11, 1915.

Egyptian goods entering Bulgaria shall enjoy the treatment accorded to British goods.

PART IV.—MILITARY, NAVAL AND AIR CLAUSES

In order to render possible the initiation of a general limitation of the armaments of all nations, Bulgaria undertakes strictly to observe the military, naval and air clauses which follow.

SECTION I.—MILITARY CLAUSES

Chapter I.—GENERAL.

ARTICLE 64. (A. 118.)

Within three months from the coming into force of the present Treaty, the military forces of Bulgaria shall be demobilized to the extent prescribed hereinafter.

ARTICLE 65. (A. 119.)

Universal compulsory military service shall be abolished in Bulgaria. The Bulgarian Army shall in future only be constituted and recruited by means of voluntary enlistment.

Chapter II.—EFFECTIVES AND CADRES OF THE BULGARIAN ARMY.

ARTICLE 66. (A. 120.)

The total number of military forces in the Bulgarian Army shall not exceed 20,000 men, including officers and depot troops.

The formations composing the Bulgarian Army shall be fixed in accordance with the wishes of Bulgaria, subject to the following reservations :

(1) The effectives of units shall be compulsorily fixed between the maximum and minimum figures shown in Table IV annexed to the present Section.

(2) The proportion of officers, including the personnel of staffs and special services, shall not exceed one-twentieth of the total effectives with the colours, and that of non-commissioned officers shall not exceed one-fifteenth of the total effectives with the colours.

(3) The number of machine guns, guns and howitzers shall not exceed those fixed in Table V annexed to the present Section per thousand men of the total effectives with the colours.

The Bulgarian Army shall be exclusively employed for the maintenance of order within Bulgarian territory and for the control of the frontiers.

ARTICLE 67.

In no case shall units be formed of greater size than a division, the latter being in accordance with Tables I, II, and IV annexed to the present Section. The maximum size of the staffs and of all formations are given in the Tables annexed to the present Section ; these figures need not be exactly followed, but they must not in any case be exceeded.

The maintenance or formation of any other group of forces, as well as

any other organisation concerned with military command or war preparation, is forbidden.

Each of the following units may have a depot :

- A regiment of Infantry ;
- A regiment of Cavalry ;
- A regiment of Field Artillery ;
- A battalion of Pioneers.

ARTICLE 68. (A. 122.)

All measures of mobilisation or appertaining to mobilisation are forbidden.

Formations, administrative services and staffs must not in any case include supplementary cadres.

It is forbidden to carry out any preparatory measures for the requisition of animals or any other means of military transport.

ARTICLE 69. (A. 123.)

The number of gendarmes, customs officials, forest guards, local or municipal police or other like officials shall be fixed by the Inter-Allied Military Commission of Control referred to in Article 98, and shall not exceed the number of men employed in a similar capacity in 1911 within the territorial limits of Bulgaria as fixed in accordance with the present Treaty. In no case shall the number of these officials who are armed with rifles exceed 10,000.

The number of these officials may only be increased in the future in proportion to the increase of population in the localities or municipalities which employ them.

These officials, as well as those employed in the railway service, must not be assembled for the purpose of taking part in any military exercises.

In addition, Bulgaria may establish a special corps of frontier guards, which must be recruited by means of voluntary enlistment and must not exceed 3,000 men, so that the total number of rifles in use in Bulgaria shall not exceed 33,000.

ARTICLE 70. (A. 124.)

Any military formation not dealt with in the above Articles is forbidden. Such other formations as may exist in excess of the effectives authorised shall be suppressed within the period laid down in Article 64.

Chapter III.—RECRUITING AND MILITARY TRAINING.

ARTICLE 71. (A. 125.)

All officers, including the gendarmerie, customs, forest and other services must be regulars (*officers de carrière*). Officers at present serving who are retained in the army, gendarmerie or the above-mentioned services must undertake to serve at least up to the age of 40. Officers at present serving who do not join the new army, gendarmerie or the above-mentioned services shall be free from any military obligations. They must not take part in any military exercises, theoretical or practical.

Officers newly appointed must undertake to serve on the active list of the army, gendarmerie or the above-mentioned services for at least 20 consecutive years.

The proportion of officers leaving the service for any cause before the expiration of their term of engagement must not exceed in any year one-twentieth of the total effectives of officers provided by Article 66. If this percentage is unavoidably exceeded, the resulting deficit in the cadres shall not be filled up by new appointments.

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ARTICLE 72. (A. 126.)

The total length of engagement of non-commissioned officers and men shall not be less than 12 years' consecutive service with the colours.

The proportion of men dismissed before the expiration of their term of service for reasons of health or discipline or for any other cause must not exceed in any year one-twentieth of the total effectives fixed by Article 66. If this number is unavoidably exceeded, the resulting deficit shall not be filled by fresh enlistments.

Chapter IV.—SCHOOLS, EDUCATIONAL ESTABLISHMENTS,
MILITARY CLUBS AND SOCIETIES.

ARTICLE 73. (Cf. A. 127.)

On the expiration of three months from the coming into force of the present Treaty there must only exist in Bulgaria one military school, strictly set apart for the recruitment of officers for the authorised units.

The number of students admitted to instruction in the said school shall be strictly in proportion to the vacancies to be filled in the officer cadres. The students and the cadres shall be reckoned as part of the effectives fixed by Article 66.

Consequently, within the time fixed above, all military colleges or similar institutions in Bulgaria, as well as the various schools for officers, student officers, cadets, non-commissioned officers or student non-commissioned officers, other than the school above provided for, shall be abolished.

ARTICLE 74. (Cf. A. 128.)

Educational establishments, other than those referred to in Article 73 above, universities, societies of discharged soldiers, touring clubs, boy scouts' societies, and associations or clubs of every description, must not occupy themselves with any military matters. They will on no account be allowed to instruct or exercise their pupils or members in the use of arms.

These educational establishments, societies, clubs or other associations must have no connection with the Ministry of War or any other military authority.

ARTICLE 75.

In schools and educational establishments of every description, whether under State control or private management, the teaching of gymnastics shall not include any instruction or drill in the use of arms or training for war.

Chapter V.—ARMAMENT, MUNITIONS AND MATERIAL, FORTIFICATIONS.

ARTICLE 76. (A. 129.)

On the expiration of three months from the coming into force of the present Treaty the armament of the Bulgarian Army shall not exceed the figures fixed per thousand men in Table V annexed to the present Section.

Any excess in relation to effectives shall only be used for such replacements as may eventually be necessary.

ARTICLE 77. (A. 130.)

The stock of munitions at the disposal of the Bulgarian Army shall not exceed the amounts fixed in Table V annexed to the present Section.

Within three months from the coming into force of the present Treaty the Bulgarian Government shall deposit any existing surplus of armament and munitions in such places as shall be notified to it by the Principal Allied and Associated Powers.

No other stock, depot or reserve of munitions shall be formed.

ARTICLE 78. (A. 181.)

The number and calibre of guns constituting the fixed normal armament of fortified places existing at the present moment in Bulgaria shall be immediately notified to the Principal Allied and Associated Powers, and will constitute maximum amounts which may not be exceeded.

Within three months from the coming into force of the present Treaty the maximum stock of ammunition for these guns will be reduced to and maintained at the following uniform rates :

1,500 rounds per gun for those the calibre of which is 105 mm. and under ;
500 rounds per gun for those of higher calibre.

No new fortifications or fortified places shall be constructed in Bulgaria.

ARTICLE 79. (A. 182.)

The manufacture of arms, munitions and of war material shall only be carried on in one single factory, which shall be controlled by and belong to the State, and whose output shall be strictly limited to the manufacture of such arms, munitions and war material as is necessary for the military forces and armaments referred to in Articles 66, 69, 77 and 78 above.

Within three months from the coming into force of the present Treaty all other establishments for the manufacture, preparation, storage or design of arms, munitions or any other war material shall be abolished or converted to purely commercial uses.

Within the same length of time all arsenals shall also be suppressed, except those to be used as depots for the authorised stocks of munitions, and their staffs discharged.

The plant of any establishments or arsenals existing in excess of the needs of the authorised manufacture shall be rendered useless or converted to purely commercial uses, in accordance with the decisions of the Military Inter-Allied Commission of Control referred to in Article 98.

ARTICLE 80. (A. 133.)

Within three months from the coming into force of the present Treaty all arms, munitions and war material, including any kind of anti-aircraft material, of whatever origin, existing in Bulgaria in excess of the authorised quantity shall be handed over to the Principal Allied and Associated Powers.

This delivery shall take place at such points in Bulgarian territory as may be appointed by the said Powers, who shall also decide on the disposal of such material.

ARTICLE 81. (A. 134.)

The importation into Bulgaria of arms, munitions and war material of (all?) kinds is forbidden.

The manufacture for foreign countries and the exportation of arms, munitions and war material shall also be forbidden.

ARTICLE 82. (A. 135.)

The use of flame throwers, asphyxiating, poisonous or other gases, and all similar liquids, materials or processes being prohibited, their manufacture and importation are strictly forbidden in Bulgaria.

Material specially intended for the manufacture, storage or use of the said products or processes is equally forbidden.

The manufacture and importation into Bulgaria of armoured cars, tanks, or any similar machines suitable for use in war are equally forbidden.

Table I.—COMPOSITION and Maximum Effectives of an Infantry Division.

B. Table I. See H. Table I, p. 210.

(Except that, 4th note, for H. '1 telegraph and' read B. '*telegraph and* '.)

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Table II.—COMPOSITION and Maximum Effectives for a Cavalry Division.

B. Table II. See A. Table II, p. 210.

(Except that to A. 'Total for a Cavalry Division' add B. 'of six regiments'.)

Table III.—COMPOSITION and Maximum Effectives for a Mixed Brigade.

B. Table III. See A. Table III, p. 211.

Table IV.—MINIMUM Effectives of Units whatever organisation is adopted in the Army.

(Divisions, Mixed Brigades, &c.)

B. Table IV. See A. Table IV, p. 211.

Table V.—MAXIMUM authorised Armaments and Munition Supplies.

B. Table V. See A. Table V, p. 211.

SECTION II.—NAVAL CLAUSES

ARTICLE 83. (A. 186.)

From the date of the coming into force of the present Treaty all Bulgarian warships, submarines included, are declared to be finally surrendered to the Principal Allied and Associated Powers.

Bulgaria will, however, have the right to maintain on the Danube and along her coasts for police and fishery duties not more than four torpedo boats and six motor boats, all without torpedoes and torpedo apparatus, to be selected by the Commission referred to in Article 99.

The personnel of the above vessels shall be organised on a purely civilian basis.

The vessels allowed to Bulgaria must only be replaced by lightly-armed patrol craft not exceeding 100 tons displacement and of non-military character.

ARTICLE 84. (A. 138.)

All warships, including submarines, now under construction in Bulgaria shall be broken up. The work of breaking up these vessels shall be commenced as soon as possible after the coming into force of the present Treaty.

ARTICLE 85. (A. 139.)

Articles, machinery and material arising from the breaking up of Bulgarian warships of all kinds, whether surface vessels or submarines, may not be used except for purely industrial or commercial purposes.

They may not be sold or disposed of to foreign countries.

ARTICLE 86. (A. 140.)

The construction or acquisition of any submarine, even for commercial purposes, shall be forbidden in Bulgaria.

ARTICLE 87. (A. 141.)

All arms, ammunition and other naval war material, including mines and torpedoes, which belonged to Bulgaria at the date of the signature of the Armistice of September 29, 1918, are declared to be finally surrendered to the Principal Allied and Associated Powers.

ARTICLE 88. (A. 143.)

During the three months following the coming into force of the present Treaty the high-power wireless telegraphy station at Sofia shall not be used for the transmission of messages concerning naval, military or political

questions of interest to Bulgaria, or any State which has been allied to Bulgaria in the war, without the assent of the Principal Allied and Associated Powers. This station may be used for commercial purposes, but only under the supervision of the said Powers, who will decide the wave-length to be used.

During the same period Bulgaria shall not build any more high-power wireless telegraphy stations in her own territory or that of Germany, Austria, Hungary or Turkey.

SECTION III.—AIR CLAUSES

B. 89-93. See A. 144-8, pp. 213-4.

SECTION IV.—INTER-ALLIED COMMISSIONS OF CONTROL

ARTICLE 94. (A. 149.)

All military, naval and air clauses contained in the present Treaty for the execution of which a time limit is prescribed shall be executed by Bulgaria under the control of Inter-Allied Commissions appointed for this purpose by the Principal Allied and Associated Powers.

The above-mentioned Commissions will represent the Principal Allied and Associated Powers in dealing with the Bulgarian Government in all matters concerning the execution of the military, naval and air clauses. They will communicate to the Bulgarian authorities the decisions which the Principal Allied and Associated Powers have reserved the right to take or which the execution of the said clauses may necessitate.

ARTICLE 95. (A. 150.)

The Inter-Allied Commissions of Control may establish their organisations at Sofia, and shall be entitled as often as they think fit to proceed to any point whatever in Bulgarian territory, or to send sub-commissions or to authorise one or more of their members to go to any such point.

ARTICLE 96. (A. 151.)

The Bulgarian Government must furnish to the Inter-Allied Commissions of Control all such information and documents as the latter may think necessary to ensure the execution of their mission, and all means (both in personnel and in material) which the said Commissions may need to ensure the complete execution of the military, naval or air clauses.

The Bulgarian Government must attach a qualified representative to each Inter-Allied Commission of Control, with the duty of receiving the communications which the Commission may have to address to the Bulgarian Government, and of furnishing it with or procuring all information or documents demanded.

ARTICLE 97. (A. 152.)

The upkeep and cost of the Commissions of Control and the expenses involved by their work shall be borne by Bulgaria.

ARTICLE 98. (A. 153.)

It will be the special duty of the Military Inter-Allied Commission of Control :

(1) to fix the number of gendarmes, customs officials, forest guards, local or municipal police, or other like officials, which Bulgaria shall be authorised to maintain in accordance with Article 69 ;

(2) to receive from the Bulgarian Government any information relating to the location of the stocks and depots of munitions, the armament of the fortified works, fortresses and forts, and the location of the works or factories

for the production of arms, munitions and war material and their operations.

It will take delivery of the arms, munitions, war material and plant intended for war construction, will select the points where such delivery is to be effected, and will supervise the works of destruction and of rendering things useless or the transformation of material which are to be carried out in accordance with the present Treaty.

ARTICLE 99. (A. 154.)

It will be the special duty of the Naval Inter-Allied Commission of Control to take delivery of arms, munitions, and other naval war material, and to supervise the destruction and breaking up provided for in Article 84.

The Bulgarian Government must furnish to the Naval Inter-Allied Commission of Control all such information and documents as the Commission may deem necessary to ensure the complete execution of the naval clauses, in particular the designs of the warships, the composition of their armaments, the details and models of the guns, munitions, torpedoes, mines, explosives, wireless telegraphic apparatus, and in general everything relating to naval war material, as well as all legislative or administrative documents or regulations.

ARTICLE 100. (A. 155.)

It will be the special duty of the Aeronautical Inter-Allied Commission of Control to make an inventory of the aeronautical material which is actually in possession of the Bulgarian Government, to inspect aeroplane, balloon and motor manufactories and factories producing arms, munitions and explosives capable of being used by aircraft, to visit all aerodromes, sheds, landing grounds, parks and depots situated in Bulgarian territory, and to authorise where necessary the removal of material and to take delivery of such material.

The Bulgarian Government must furnish to the Aeronautical Inter-Allied Commission of Control all such information and legislative, administrative or other documents which the Commission may think necessary to ensure the complete execution of the air clauses, and in particular a list of the personnel belonging to all Bulgarian air services and of the existing material, as well as of that in process of manufacture or on order, and a complete list of all establishments working for aviation, of their positions and of all sheds and landing grounds.

SECTION V.—GENERAL ARTICLES

ARTICLE 101. (A. 156.)

After the expiration of a period of three months from the coming into force of the present Treaty the Bulgarian laws must have been modified and shall be maintained by the Bulgarian Government in conformity with this Part of the present Treaty.

Within the same period all the administrative or other measures relating to the execution of this Part of the present Treaty must have been taken by the Bulgarian Government.

ARTICLE 102. (A. 157.)

The following portions of the Armistice of September 29, 1918 : paragraphs 1, 2, 3 and 6, remain in force in so far as they are not inconsistent with the stipulations of the present Treaty.

ARTICLE 103. (A. 158.)

Bulgaria undertakes from the coming into force of the present Treaty not to accredit to any foreign country any military, naval or air mission, and not to send or allow the departure of any such mission ; she undertakes

moreover to take the necessary steps to prevent Bulgarian nationals from leaving her territory in order to enlist in the army, fleet or air service of any foreign Power, or to be attached to any such Power with the purpose of helping in its training, or generally to give any assistance to the military, naval or air instruction in a foreign country.

The Allied and Associated Powers undertake on their part that from the coming into force of the present Treaty they will neither enlist in their armies, fleets or air services nor attach to them any Bulgarian national with the object of helping in military training, or in general employ any Bulgarian national as a military, naval or air instructor.

The present arrangement, however, in no way hinders the right of France to recruit for the Foreign Legion in accordance with French military laws and regulations.

ARTICLE 104. (A. 159.)

So long as the present Treaty remains in force Bulgaria undertakes to submit to any investigation which the Council of the League of Nations by a majority vote may consider necessary.

PART V.—PRISONERS OF WAR AND GRAVES

SECTION I.—PRISONERS OF WAR

ARTICLE 105. (A. 160.)

The repatriation of prisoners of war and interned civilians who are Bulgarian nationals shall take place as soon as possible after the coming into force of the present Treaty, and shall be carried out with the greatest rapidity.

B. 106. See A. 161, p. 216.

(Except that for A. '160', read B. '105'.)

B. 107. See A. 162, p. 216.

B. 108. See A. 163, p. 216.

(Except that for A. 'means of transport' read B. '*the means of transport*' and for A. '160' read B. '105'.)

B. 109. See A. 164, p. 217.

(Except that for A. 'June 1' read B. '*October 15*'.)

B. 110-11. See A. 165-6, p. 217.

B. 112. See A. 167, p. 217.

(Except that, last line: for A. 'who are still held in' read B. '*who may be still retained in*'.)

ARTICLE 113. (A. 168, but last two paragraphs only.)

An Inter-Allied Commission for enquiry and control shall be formed for the purpose of:

- (1) searching for non-repatriated Allied and Associated nationals;
- (2) identifying those who have expressed their desire to remain within Bulgarian territory;
- (3) establishing criminal acts punishable by the penalties referred to in Part VI (Penalties) of the present Treaty, committed by Bulgarians against the persons of prisoners of war or Allied and Associated nationals during their captivity.

This Commission shall consist of a representative of each of the following

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Powers, viz. ; the British Empire, France, Italy, Greece, Roumania and the Serb-Croat-Slovene State.

The result of the enquiries made by this Commission shall be transmitted to each of the Governments concerned.

The Bulgarian Government undertakes :

(1) to give every facility to this Commission, to furnish it with all necessary means of transport ; to allow it free access to camps, prisons, hospitals and all other places ; and to place at its disposal all documents, whether public or private, which would facilitate its enquiries ;

(2) to impose penalties upon any Bulgarian officials or private persons who have concealed the presence of any nationals of any of the Allied or Associated Powers, or have neglected to reveal the presence of any such after it had come to their knowledge.

ARTICLE 114. (A. 169.)

The Bulgarian Government undertakes, from the coming into force of the present Treaty, to restore without delay all articles, money, securities and documents which have belonged to nationals of the Allied and Associated Powers and which have been retained by the Bulgarian authorities.

ARTICLE 115. (A. 170.)

The High Contracting Parties waive reciprocally all repayment of sums due for the maintenance of prisoners of war in their respective territories.

SECTION II.—GRAVES

ARTICLE 116. (A. 171.)

The Allied and Associated Governments and the Bulgarian Government will cause to be respected and maintained the graves of the soldiers and sailors buried in their respective territories.

They agree to recognise any Commission appointed by any one of these Governments for the purpose of identifying, registering, caring for, or erecting suitable memorials over the said graves, and to facilitate the discharge of its duties.

Furthermore they reciprocally agree to afford, so far as the provisions of their laws and the requirements of public health allow, every facility for giving effect to requests that the bodies of their soldiers and sailors may be transferred to their own country.

ARTICLE 117. (A. 172.)

The graves of prisoners of war and interned civilians who are nationals of the different belligerent States and have died in captivity shall be properly maintained in accordance with Article 116 of the present Treaty.

The Allied and Associated Governments on the one part and the Bulgarian Government on the other part reciprocally undertake also to furnish to each other :

(1) a complete list of those who have died, together with all information useful for identification ;

(2) all information as to the number and position of the graves of all those who have been buried without identification.

PART VI.—PENALTIES

B. 118. See A. 173.

(Except that for A. 'prosecutions' read B. '*prosecution*'.)

B. 119-20. See A. 174-5, p: 218.

PART VII.—REPARATION

(Cf. the whole of this part with Austria, Part VIII, Reparation, pp. 219–85.)

ARTICLE 121.

Bulgaria recognises that, by joining in the war of aggression which Germany and Austria-Hungary waged against the Allied and Associated Powers, she has caused to the latter losses and sacrifices of all kinds, for which she ought to make complete reparation.

On the other hand, the Allied and Associated Powers recognise that the resources of Bulgaria are not sufficient to enable her to make complete reparation.

Bulgaria, therefore, agrees to pay, and the Allied and Associated Powers agree to accept, as being such reparation as Bulgaria is able to make, the sum of 2,250,000,000 (two and a quarter milliards) francs gold.

This amount shall (except as hereinafter provided) be discharged by a series of half-yearly payments on January 1 and July 1 in each year, beginning on July 1, 1920.

The payments on July 1, 1920, and January 1, 1921, shall represent interest at the rate of 2 per cent. per annum from January 1, 1920, on the total sum due by Bulgaria. Thereafter, each half-yearly payment shall include, besides the payment of interest at 5 per cent. per annum, the provision of a sinking fund sufficient to extinguish the total amount due by Bulgaria in 37 years from January 1, 1921.

These sums shall be remitted through the Inter-Allied Commission referred to in Article 130 to the Reparation Commission created by the Treaty of Peace with Germany of June 28, 1919, as constituted by the Treaty with Austria of September 10, 1919, Part VIII, Annex II, paragraph 2 (this Commission is hereinafter referred to as the Reparation Commission), and shall be disposed of by the Reparation Commission in accordance with the arrangements already made.

Payments required in accordance with the preceding stipulations to be made in cash may at any time be accepted by the Reparation Commission, on the proposal of the Inter-Allied Commission, in the form of chattels, properties, commodities, rights, concessions, within or without Bulgarian territory, ships, bonds, shares or securities of any kind, or currency of Bulgaria or of other States, the value of such substitutes for gold being fixed at a fair and just amount by the Reparation Commission itself.

If the Reparation Commission desires at any time to dispose, either by sale or otherwise, of gold bonds based on the payments to be made by Bulgaria, it shall have power to do so. The nominal amount of the bonds shall be fixed by it, after taking due account of the provisions of Articles 122, 123, and 129 of this Part, in consultation with the Inter-Allied Commission, but shall in no case exceed the total capital sums due by Bulgaria then outstanding.

Bulgaria undertakes in such case to deliver to the Reparation Commission, through the Inter-Allied Commission, the necessary bonds in such form, number, denominations and terms as the Reparation Commission may determine.

These bonds shall be direct obligations of the Bulgarian Government, but all arrangements for the service of the bonds shall be made by the Inter-Allied Commission. The Inter-Allied Commission shall pay all interest, sinking fund, or other charges connected with the bonds out of the half-yearly payments to be made by Bulgaria in accordance with this Article. The surplus, if any, shall continue to be paid to the order of the Reparation Commission.

These bonds shall be free of all taxes and charges of every description established or to be established by Bulgaria.

ARTICLE 122. (A. 180.)

The Inter-Allied Commission shall from time to time consider the resources and capacity of Bulgaria, and, after giving her representatives a just opportunity to be heard, shall have discretion to recommend to the Reparation Commission either a reduction or a postponement of any particular payment due or a reduction of the total capital sum to be paid by Bulgaria.

The Reparation Commission shall have power by a majority of votes to make any reduction or postponement up to the extent recommended by the Inter-Allied Commission.

ARTICLE 123.

Bulgaria shall have the power at any time, if she so desires, to make immediate payments in reduction of the total capital sum due over and above the half-yearly payments.

ARTICLE 124.

Bulgaria recognises the transfer to the Allied and Associated Powers of any claims to payment or repayment which Germany, Austria, Hungary or Turkey may have against her, in accordance with Article 261 of the Treaty of Peace with Germany, and the corresponding Articles of the Treaties with Austria, Hungary and Turkey.

The Allied and Associated Powers, on the other hand, agree not to require from Bulgaria any payment in respect of claims so transferred, as they have taken these claims into account in fixing the amount to be paid by Bulgaria under Article 121.

ARTICLE 125.

In addition to the payments mentioned in Article 121, Bulgaria undertakes to return, in accordance with the procedure to be laid down by the Inter-Allied Commission, objects of any nature and securities taken away, seized or sequestered in the territory invaded in Greece, Roumania or Serbia, in cases in which it is possible to identify them in Bulgarian territory, except in the case of livestock, which shall be dealt with in accordance with Article 127.

For this purpose the Governments of Greece, Roumania and the Serb-Croat-Slovene State shall deliver to the Inter-Allied Commission within four months from the coming into force of the present Treaty lists of the objects and securities which they can prove to have been carried off from the invaded territories and which can be identified and found in Bulgarian territory. They will also give at the same time all information possible to assist in the discovery and identification of these articles.

The Bulgarian Government undertakes to facilitate by all means in its power the discovery of the said objects and securities, and to pass within three months from the coming into force of the present Treaty a law requiring all Bulgarian nationals to disclose all such objects and securities in their possession under penalty of being treated as receivers of stolen goods.

ARTICLE 126.

Bulgaria undertakes to seek for and forthwith to return to Greece, Roumania, and the Serb-Croat-Slovene State respectively any records or archives or any articles of archæological, historic or artistic interest which have been taken away from the territories of those countries during the present war.

Any dispute between the Powers above named and Bulgaria as to their ownership of any such articles shall be referred to an arbitrator to be appointed by the Inter-Allied Commission, and whose decision shall be final.

ARTICLE 127.

Bulgaria further undertakes to deliver to Greece, Roumania and the Serb-Croat-Slovene State, within six months from the coming into force of the present Treaty, live-stock of the descriptions and in the numbers set out hereunder :

	<i>Greece.</i>	<i>Roumania.</i>	<i>Serb-Croat-Slovene State.</i>
Bulls (18 months to 3 years) ..	15	60	50
Milch Cows (2 to 6 years) ..	1,500	6,000	6,000
Horses and Mares (3 to 7 years) ..	2,250	5,250	5,000
Mules	450	1,050	1,000
Draught Oxen	1,800	3,400	4,000
Sheep	6,000	15,000	12,000

These animals shall be delivered at such places as may be appointed by the respective Governments. They shall be inspected before delivery by agents appointed by the Inter-Allied Commission, who shall satisfy themselves that the animals so delivered are of average health and condition.

No credit shall be made to Bulgaria in respect of their value ; the animals handed over shall be regarded as having been delivered in restitution for animals taken away by Bulgaria during the war from the territories of the countries named.

In addition to the deliveries provided for above, the Inter-Allied Commission shall be at liberty to grant, if they find it possible to do so, to Greece, Roumania and the Serb-Croat-Slovene State, within two years from the coming into force of the present Treaty, such quantities of live-stock as they may consider themselves justified in so granting. The value of such deliveries shall be placed to the credit of Bulgaria.

ARTICLE 128.

By way of special compensation for the destruction caused to the coal-mines situated on Serbian territory occupied by the Bulgarian armies, Bulgaria undertakes, subject to the proviso contained in the final paragraph of this Article, to deliver to the Serb-Croat-Slovene State during five years from the coming into force of the present Treaty 50,000 tons of coal a year from the output of the Bulgarian State mines at Pernik. These deliveries shall be made free on rail on the Serb-Croat-Slovene frontier on the Pirot-Sofia railway.

The value of these deliveries will not be credited to Bulgaria, and will not be taken in diminution of the payment required under Article 121.

Provided, nevertheless, that these deliveries will only be made subject to the approval of the Inter-Allied Commission, which approval shall only be given if and in so far as the Commission is satisfied that such deliveries of coal will not unduly interfere with the economic life of Bulgaria ; the decision of the Commission on this point shall be final.

ARTICLE 129.

The following shall be reckoned as credits to Bulgaria in respect of her reparation obligations :

Amounts which the Reparation Commission may consider should be credited to Bulgaria under Part VIII (Financial Clauses), Part IX (Economic Clauses) and Part XI (Ports, Waterways and Railways) of the present Treaty.

ARTICLE 130.

In order to facilitate the discharge by Bulgaria of the obligations assumed by her under the present Treaty, there shall be established at Sofia as soon

as possible after the coming into force of the present Treaty an Inter-Allied Commission.

The Commission shall be composed of three members to be appointed respectively by the Governments of the British Empire, France and Italy. Each Government represented on the Commission shall have the right to withdraw therefrom upon six months' notice filed with the Commission.

Bulgaria shall be represented by a Commissioner, who shall take part in the sittings of the Commission whenever invited by the Commission to do so, but shall not have the right to vote.

The Commission shall be constituted in the form and shall possess the powers prescribed by the present Treaty, including the Annex to this Part.

The Commission shall continue in existence as long as any of the payments due under the terms of this Part or the present Treaty remain unpaid.

The members of the Commission shall enjoy the same rights and immunities as are enjoyed in Bulgaria by duly accredited diplomatic agents of friendly Powers.

The Bulgarian Government agrees to provide by law, within six months of the coming into force of the present Treaty, the authority necessary for enabling the Commission to carry out its duties. The text of this law must be approved in advance by the Powers represented on the Commission. It must conform to the principles and rules laid down in the Annex to this Part, and also to any other relevant provisions laid down in the present Treaty.

ARTICLE 131.

Bulgaria undertakes to pass, issue and maintain in force any legislation, orders and decrees that may be necessary to give effect to the provisions of this Part.

ANNEX (Cf. A. Annex IV, p. 235.)

1. The Commission shall elect a Chairman annually from its members, and it shall establish its own rules and procedure.

Each member shall have the right to nominate a deputy to act for him in his absence.

Decisions shall be taken by the vote of the majority, except when a unanimous vote is expressly required. Abstention from voting is to be treated as a vote against the proposal under discussion.

The Commission shall appoint such agents and employees as it may deem necessary for its work.

The costs and expenses of the Commission shall be paid by Bulgaria and shall be a first charge on the revenues payable to the Commission. The salaries of the members of the Commission shall be fixed on a reasonable scale by agreement from time to time between the Governments represented on the Commission.

2. Bulgaria undertakes to afford to the members, officers and agents of the Commission full power to visit and inspect at all reasonable times any places, public works or undertakings in Bulgaria, and to furnish to the said Commission all records, documents and information which it may require.

3. The Bulgarian Government undertakes to place at the disposal of the Commission in each half-year sufficient sums in francs gold, or such other currency as the Commission may decide, to enable it to remit at due date the payments due on account of reparation or of other obligations undertaken by Bulgaria under the present Treaty.

In the law relating to the working of the Commission, there shall be prescribed a list of the taxes and revenues (now existing or hereafter to be created) estimated to be sufficient to produce the sums above referred to. This list of taxes and revenues shall include all revenues or receipts arising from concessions made or to be made for the working of mines or quarries or for

the carrying on of any works of public utility or of any monopolies for the manufacture or sale of any articles in Bulgaria. This list of taxes and revenues may be altered from time to time with the unanimous consent of the Commission.

If at any time the revenues so assigned shall prove insufficient, the Bulgarian Government undertakes to assign additional revenues. If the Bulgarian Government does not assign sufficient revenues within three months of a demand by the Commission, the Commission shall have the right to add to the list additional revenues created or to be created, and the Bulgarian Government undertakes to pass the necessary legislation.

In case of default by Bulgaria in the performance of her obligations under Articles 121 and 130 and this Annex the Commission shall be entitled to assume to the extent and for the period fixed by it the full control and management of and to undertake the collection of such taxes and sources of revenue and to hold and disburse the proceeds thereof, and to apply any net proceeds after meeting the cost of administration and collection to the satisfaction of the reparation obligations of Bulgaria, subject to any priorities laid down in the present Treaty.

In the case of such action by the Commission, Bulgaria undertakes to recognise the authority and powers of the said Commission, to abide by its decisions and to obey its directions.

4. By agreement with the Bulgarian Government, the Commission shall have power to assume the control and management and the collection of any taxes, even if no default has occurred.

5. The Commission shall also take over any other duties which may be assigned to it under the present Treaty.

6. No member of the Commission shall be responsible, except to the Government appointing him, for any action or omission in the performance of his duties. No one of the Allied or Associated Governments assumes any responsibility in respect of any other Government.

PART VIII.—FINANCIAL CLAUSES

ARTICLE 132. (A. 197.)

Subject to the provisions of Article 138, and to such exceptions as the Inter-Allied Commission established by Article 130, Part VII (Reparation) of the present Treaty, may unanimously approve, a first charge upon all the assets and revenues of Bulgaria shall be the cost of reparation and all other costs arising under the present Treaty or any treaties or agreements supplementary thereto, or under arrangements concluded between Bulgaria and the Allied and Associated Powers during the Armistice signed on September 29, 1918.

Up to May 1, 1921, the Bulgarian Government shall not export or dispose of, and shall prohibit the export or disposal of, gold without the previous approval of the Inter-Allied Commission.

ARTICLE 133. (A. 198.)

There shall be paid by Bulgaria the total cost of all armies of the Allied and Associated Governments occupying territory within her boundaries, as defined in the present Treaty, from the date of the signature of the Armistice of September 29, 1918, until the coming into force of the present Treaty, including the keep of men and beasts, lodging and billeting, pay and allowances, salaries and wages, bedding, heating, lighting, clothing, equipment, harness and saddlery, armament and rolling-stock, air services, treatment of sick and wounded, veterinary and remount services, transport services of all sorts (such as by rail, sea, or river, motor lorries), communications and correspondence, and, in general, the cost of all administrative or technical services, the

working of which is necessary for the training of troops and for keeping their numbers up to strength and preserving their military efficiency.

The cost of such liabilities under the above heads, so far as they relate to purchases or requisitions by the Allied and Associated Governments in the occupied territory, shall be paid by the Bulgarian Government to the Allied and Associated Governments in any legal currency of Bulgaria. In cases where an Allied or Associated Government, in order to make such purchases or requisitions in the occupied territory, has incurred expenditure in a currency other than Bulgarian currency, such expenditure shall be reimbursed in Bulgarian currency at the rate of exchange current at the date of reimbursement, or at an agreed rate.

All other of the above costs shall be paid in the currency of the country to which the payment is due.

ARTICLE 134.

Bulgaria engages to pay towards the charge for the service of the external pre-war Ottoman Public Debt, both in respect of territory ceded by Turkey under the Treaty of Constantinople, 1913, for the period during which such territory was under Bulgarian sovereignty, and in respect of territory the cession of which is confirmed by the present Treaty, such sums as may be determined hereafter by a Commission to be appointed for the purpose of determining to what extent the cession of Ottoman territory will involve the obligation to contribute to that debt.

ARTICLE 135. (A. 200.)

The priority of the charges established by Articles 132, 133, and 134 of this Part shall be as follows :—

- (i) the cost of military occupation as defined by Article 133 ;
- (ii) the service of such part of the external pre-war Ottoman Public Debt as may be attributed to Bulgaria under the present Treaty or any treaties or agreements supplementary thereto in respect of the cession to Bulgaria of territory formerly belonging to the Ottoman Empire ;
- (iii) the cost of reparation as prescribed by the present Treaty or any treaties or agreements supplementary thereto.

ARTICLE 136. (A. 199.)

Bulgaria confirms the surrender of all material handed over or to be handed over to the Allied and Associated Powers in accordance with the Armistice of September 29, 1918, and recognises the title of the Allied and Associated Powers to such material.

There shall be credited to Bulgaria against the sums due from her to the Allied and Associated Powers for reparation the value, as assessed by the Reparation Commission referred to in Article 121, Part VII (Reparation) of the present Treaty, acting through the Inter-Allied Commission, of such of the above material for which, as having non-military value, credit should, in the judgment of the Reparation Commission, be allowed.

Property belonging to the Allied and Associated Governments or their nationals, restored or surrendered under the Armistice Agreement in specie, shall not be credited to Bulgaria.

ARTICLE 137. (A. 201.)

The right of each of the Allied and Associated Powers to dispose of enemy assets and property within its jurisdiction at the date of the coming into force of the present Treaty is not affected by the foregoing provisions.

ARTICLE 138.

All rights created and all securities specifically assigned in connection with loans contracted or guaranteed by the Bulgarian Government which

were actually contracted or guaranteed before August 1, 1914, are maintained in force without any modification.

ARTICLE 139.

If, in accordance with Articles 235 and 260 of the Treaty of Peace with Germany, signed on June 28, 1919, and the corresponding Articles in the Treaties with Austria and Hungary, all rights, interests and securities held by any German, Austrian or Hungarian national under the contracts and agreements regulating the loan contracted by Bulgaria in Germany in July, 1914, are taken over by the Reparation Commission, the Bulgarian Government undertakes to do everything in its power to facilitate this transfer. The Bulgarian Government likewise undertakes to hand over to the Reparation Commission within six months from the coming into force of the present Treaty all such rights, interests and securities held by Bulgarian nationals under the contracts and agreements regulating the said loan. The rights, interests and securities held by Bulgarian nationals will be valued by the Reparation Commission, and their value will be credited to Bulgaria on account of the sums due for reparation, and Bulgaria shall be responsible for indemnifying her nationals so dispossessed.

Notwithstanding anything in the preceding Article, the Reparation Commission shall have full power, in the event of the transfer to it of the interests mentioned above, to modify the terms of the contracts and agreements regulating the loan, or to make any other arrangements connected therewith which it shall deem necessary, provided that (1) the rights under the contracts and agreements of any persons interested therein other than German, Austrian, Hungarian or Bulgarian nationals, and (2) the rights of the holders of Bulgarian Treasury Bills issued in France in 1912 and 1913 to be reimbursed out of the proceeds of the next financial operation undertaken by Bulgaria, are not prejudiced thereby. By agreement with the parties concerned, the claims referred to above may be paid off either in cash or in an agreed amount of the bonds of the loan.

Any arrangement with regard to the loan and the contracts and agreements connected therewith shall be made after consultation with the Inter-Allied Commission, and the Inter-Allied Commission shall act as agent of the Reparation Commission in any matters connected with the loan, if the Reparation Commission so decides.

ARTICLE 140. (A. 202.)

Nothing in the provisions of this Part shall prejudice in any manner charges or mortgages lawfully effected in favour of the Allied and Associated Powers or their nationals respectively, before the date at which a state of war existed between Bulgaria and the Allied or Associated Powers concerned, by the Government of Bulgaria or by Bulgarian nationals on assets in their ownership at that date, except in so far as variations of such charges or mortgages are specifically provided for under the terms of the present Treaty or any treaties or agreements supplementary thereto.

ARTICLE 141.

Any Power to which Bulgarian territory is ceded in accordance with the present Treaty undertakes to pay a contribution towards the charge for the Bulgarian Public Debt as it stood on October 11, 1915, including the share of the Ottoman Public Debt attaching to Bulgaria in accordance with the principles laid down in Article 134.

The Reparation Commission, acting through the Inter-Allied Commission, will fix the amount of the Bulgarian Public Debt on October 11, 1915, taking into account only such portion of the debt contracted after August 1, 1914, as was not employed by Bulgaria in preparing the war of aggression.

The portion of the Bulgarian Public Debt for which each State is to

assume responsibility will be such as the Principal Allied and Associated Powers, acting through the Inter-Allied Commission, may determine to be equitable, having regard to the ratio between the revenues of the ceded territory and the total revenues of Bulgaria for the average of the three complete financial years next before the Balkan War of 1912.

ARTICLE 142.

Any Power to which Bulgarian territory is ceded in accordance with the present Treaty shall acquire all property and possessions situated within such territory belonging to the Bulgarian Government, and the value of such property and possessions so acquired shall be fixed by the Reparation Commission and placed by it to the credit of Bulgaria (or of Turkey in the case of property and possessions ceded to Bulgaria under the Treaty of Constantinople, 1918), and to the debit of the Power acquiring such property or possessions.

For the purposes of this Article the property and possessions of the Bulgarian Government shall be deemed to include all the property of the Crown.

ARTICLE 143. (A. 210, pars. 2 and 3.)

Bulgaria renounces any benefit disclosed by the Treaties of Bucharest and Brest-Litovsk, 1918, and by the Treaties supplementary thereto, and undertakes to transfer either to Roumania or to the Principal Allied and Associated Powers, as the case may be, any monetary instruments, specie, securities and negotiable instruments or goods which she may have received under the aforesaid Treaties.

Any sums of money and all securities, instruments and goods, of whatsoever nature, to be paid, delivered or transferred under the provisions of this Article, shall be disposed of by the Principal Allied and Associated Powers in a manner hereafter to be determined by those Powers.

ARTICLE 144. (A. 212.)

The Bulgarian Government undertakes to refrain from preventing or impeding such acquisition by the German, Austrian, Hungarian or Turkish Governments of any rights and interests of German, Austrian, Hungarian or Turkish nationals in public utility undertakings or concessions operating in Bulgaria as may be required by the Reparation Commission under the terms of the Treaties of Peace between Germany, Austria, Hungary and Turkey and the Allied and Associated Powers.

ARTICLE 145. (A. 213.)

Bulgaria undertakes to transfer to the Reparation Commission any claims which she or Bulgarian nationals who acted on her behalf may have to payment or reparation by Germany, Austria, Hungary or Turkey, or their nationals, particularly any claims which may arise now or hereafter in the fulfilment of undertakings made between Bulgaria and those Powers during the war.

Any sums which the Reparation Commission may recover in respect of such claims shall be transferred to the credit of Bulgaria on account of the sums due for reparation.

ARTICLE 146. (A. 214.)

Any monetary obligation arising out of the present Treaty shall be understood to be expressed in terms of gold, and shall, unless some other arrangement is specifically provided for in any particular case under the terms of this Treaty or any treaty or agreement supplementary thereto, be payable at the option of the creditors in pounds sterling payable in London, gold dollars of the United States of America payable in New York, gold francs payable in Paris, or gold lire payable in Rome.

For the purposes of this Article the gold coins mentioned above shall be defined as being of the weight and fineness of gold as enacted by law on January 1, 1914.

PART IX.—ECONOMIC CLAUSES

SECTION I.—COMMERCIAL RELATIONS

Chapter I.—CUSTOMS REGULATIONS, DUTIES AND RESTRICTIONS.

B. 147–50. See A. 217–20, pp. 247–48.

ARTICLE 151. (A. 223. 1st par. only.)

During the period of one year after the coming into force of the present Treaty, the duties imposed by Bulgaria on imports from Allied and Associated States shall not be higher than the most favourable duties which were applied to imports into Bulgaria on July 28, 1914.

The payment of customs duties on such imports on a gold basis may, subject to the provisions of Article 150, be required in all cases where by Bulgarian law such payment in gold could be required on July 28, 1914, provided that the rate of conversion of gold notes shall be periodically fixed by the Reparation Commission.

Chapter II.—SHIPPING.

ARTICLE 152.

As regards sea fishing, maritime coasting trade and maritime towage, vessels of the Allied and Associated Powers shall enjoy in Bulgaria, even in territorial waters, the treatment accorded to vessels of the most favoured nation.

ARTICLE 153. (last par. A. 225.)

In the case of vessels of the Allied or Associated Powers, all classes of certificates or documents relating to the vessel which were recognised as valid by Bulgaria before the war, or which may hereafter be recognised as valid by the principal maritime States, shall be recognised by Bulgaria as valid and as equivalent to the corresponding certificates issued to Bulgarian vessels.

A similar recognition shall be accorded to the certificates and documents issued to their vessels by the Governments of new States, whether they have a sea-coast or not, provided that such certificates and documents shall be issued in conformity with the general practice observed in the principal maritime States.

The High Contracting Parties agree to recognise the flag flown by the vessels of an Allied or Associated Power having no sea-coast which are registered at some one specified place situated in its territory; such place shall serve as the port of registry of such vessels.

Chapter III.—UNFAIR COMPETITION.

B. 154. See A. 226, p. 250.

B. 155. See A. 227.

(Except that, last line, A. for 'Austrian Government' read B. '*Bulgaria*.')

Chapter IV.—TREATMENT OF NATIONALS OF ALLIED AND ASSOCIATED POWERS.

B. 156. See A. 228, pp. 250–51.

(Except that, at end of (c) add B. 'or on the nationals of any more favoured nation or their property, rights, or interests'.)

B. 157–9. See A. 229–31, p. 250.

Chapter V.—GENERAL ARTICLES.

ARTICLE 160. (A. 232, 2nd par. omitted.)

The obligations imposed on Bulgaria by Chapter I and by Article 152 of Chapter II above shall cease to have effect five years from the date of the coming into force of the present Treaty, unless otherwise provided in the text, or unless the Council of the League of Nations shall, at least twelve months before the expiration of that period, decide that these obligations shall be maintained for a further period with or without amendment.

Article 156 of Chapter IV shall remain in operation, with or without amendment, after the period of five years for such further period, if any, not exceeding five years, as may be determined by a majority of the Council of the League of Nations.

ARTICLE 161. (A. 233.)

If the Bulgarian Government engages in international trade, it shall not in respect thereof have or be deemed to have any rights, privileges, or immunities of sovereignty.

SECTION II.—TREATIES

ARTICLE 162. (A. 234 which also includes B. 167.)

From the coming into force of the present Treaty and subject to the provisions thereof, the multilateral treaties, conventions, and agreements of an economic or technical character enumerated below and in the subsequent Articles shall alone be applied as between Bulgaria and those of the Allied and Associated Powers party thereto :

(1) Convention of October 11, 1909, regarding the international circulation of motor-cars.

(2) Agreement of May 15, 1886, regarding the sealing of railway trucks subject to customs inspection, and Protocol of May 18, 1907.

(3) Agreement of May 15, 1886, regarding the technical standardisation of railways.

(4) Convention of July 5, 1890, regarding the publication of customs tariffs and the organisation of an International Union for the publication of customs tariffs.

(5) Convention of May 20, 1875, regarding the unification and improvement of the metric system.

(6) Convention of November 29, 1906, regarding the unification of pharmacopœial formulæ for potent drugs.

(7) Convention of June 7, 1905, regarding the creation of an International Agricultural Institute at Rome.

(8) Arrangement of December 9, 1907, for the creation of an International Office of Public Hygiene at Paris.

ARTICLE 163. (A. 235.)

From the coming into force of the present Treaty the High Contracting Parties shall apply the conventions and agreements hereinafter mentioned,

in so far as concerns them, Bulgaria undertaking to comply with the special stipulations contained in this Article.

Postal Conventions.

Conventions and agreements of the Universal Postal Union concluded at Vienna on July 4, 1891.

Conventions and agreements of the Postal Union signed at Washington on June 15, 1897.

Conventions and agreements of the Postal Union signed at Rome on May 26, 1906.

Telegraphic Conventions.

International telegraphic conventions signed at St. Petersburg on July 10/22, 1875.

Regulations and tariffs drawn up by the International Telegraphic Conference, Lisbon, June 11, 1908.

Bulgaria undertakes not to refuse her assent to the conclusion by the new States of the special arrangements referred to in the conventions and agreements relating to the Universal Postal Union and to the International Telegraphic Union, to which the said new States have adhered or may adhere.

ARTICLE 164. (A. 236.)

From the coming into force of the present Treaty the High Contracting Parties shall apply, in so far as concerns them, the International Radio-Telegraphic Convention of July 5, 1912, Bulgaria undertaking to comply with the provisional regulations which will be indicated to her by the Allied and Associated Powers.

If within five years after the coming into force of the present Treaty a new convention regulating international radio-telegraphic communication should have been concluded to take the place of the Convention of July 5, 1912, this new convention shall bind Bulgaria, even if Bulgaria should refuse either to take part in drawing up the convention or to subscribe thereto.

This new convention will likewise replace the provisional regulations in force.

ARTICLE 165.

Until the conclusion of a new convention concerning fishing in the waters of the Danube to replace the Convention of November 29, 1901, the transitory régime to be established will be settled by an arbitrator appointed by the European Commission of the Danube.

ARTICLE 166. (A. 239, v. also A. 237.)

Bulgaria undertakes :

(1) Within a period of twelve months from the coming into force of the present Treaty to adhere in the prescribed form to the International Convention of Paris of March 20, 1883, for the protection of industrial property, revised at Washington on June 2, 1911, and the International Convention of Berne of September 9, 1886, for the protection of literary and artistic works, revised at Berlin on November 13, 1908, and the Additional Protocol of Berne of March 20, 1914, relating to the protection of literary and artistic works ;

(2) Within the same period to recognise and protect by effective legislation in accordance with the principles of the said Conventions the industrial, literary, and artistic property of nationals of the Allied and Associated States.

In addition and independently of the obligations mentioned above, Bulgaria undertakes to continue to assure such recognition and such protection to all the industrial, literary, and artistic property of the nationals of each of the Allied and Associated States to an extent at least as great as upon July 28, 1914, and upon the same conditions.

ARTICLE 167. (A. 234 and 240.)

Bulgaria undertakes to adhere to the conventions and agreements hereunder enumerated, or to ratify them :

(1) Conventions of March 14, 1884, December 1, 1886, and March 23, 1887, and Final Protocol of July 7, 1887, regarding the protection of submarine cables.

(2) Convention of December 31, 1913, regarding the unification of commercial statistics.

(3) Conventions of September 23, 1910, respecting the unification of certain regulations regarding collisions and salvage at sea.

(4) Convention of December 21, 1904, regarding the exemption of hospital ships from dues and charges in ports.

(5) Convention of September 26, 1906, for the suppression of night work for women.

(6) Convention of September 26, 1906, for the suppression of the use of white phosphorus in the manufacture of matches.

(7) Conventions of May 18, 1904, and May 4, 1910, regarding the suppression of the White Slave Traffic.

(8) Convention of May 4, 1910, regarding the suppression of obscene publications.

(9) Sanitary Conventions of January 30, 1892, April 15, 1893, April 3, 1894, March 19, 1897, and December 3, 1903.

(10) Conventions of November 3, 1881, and April 15, 1889, regarding precautionary measures against phylloxera.

(11) Convention of March 19, 1902, regarding the protection of birds useful to agriculture.

ARTICLE 168. (A. 241.)

Each of the Allied or Associated Powers, being guided by the general principles or special provisions of the present Treaty, shall notify to Bulgaria the bilateral treaties or conventions of all kinds which such Allied or Associated Power wishes to revive with Bulgaria.

The notification referred to in the present Article shall be made either directly or through the intermediary of another Power. Receipt thereof shall be acknowledged in writing by Bulgaria. The date of the revival shall be that of the notification.

The Allied and Associated Powers undertake among themselves not to revive with Bulgaria any conventions or treaties which are not in accordance with the terms of the present Treaty.

The notification shall mention any provisions of the said conventions and treaties which, not being in accordance with the terms of the present Treaty, shall not be considered as revived.

In case of any difference of opinion, the League of Nations will be called on to decide.

A period of six months from the coming into force of the present Treaty is allowed to the Allied and Associated Powers within which to make the notification.

Only those bilateral treaties and conventions which have been the subject of such a notification shall be revived between the Allied and Associated Powers and Bulgaria ; all the others are and shall remain abrogated.

The above rules apply to all bilateral treaties or conventions existing between the Allied and Associated Powers and Bulgaria, even if the said Allied and Associated Powers have not been in a state of war with Bulgaria.

ARTICLE 169. (A. 242.)

Bulgaria recognises that all the treaties, conventions or agreements which she has concluded with Germany, Austria, Hungary or Turkey since August 1,

1914, until the coming into force of the present Treaty are and remain abrogated by the present Treaty.

ARTICLE 170. (A. 243.)

Bulgaria undertakes to secure to the Allied and Associated Powers, and to the officials and nationals of the said Powers, the enjoyment of all the rights and advantages of any kind which she may have granted to Germany, Austria, Hungary or Turkey, or to the officials and nationals of these States by treaties, conventions or arrangements concluded before August 1, 1914, so long as those treaties, conventions or arrangements remain in force.

The Allied and Associated Powers reserve the right to accept or not the enjoyment of these rights and advantages.

ARTICLE 171. (A. 244.)

Bulgaria recognises that all treaties, conventions or arrangements which she concluded with Russia, or with any State or Government of which the territory previously formed a part of Russia, before August 1, 1914, or after that date until the coming into force of the present Treaty, or with Roumania after August 15, 1916, until the coming into force of the present Treaty, are and remain abrogated.

ARTICLE 172. (A. 245.)

Should an Allied or Associated Power, Russia, or a State or Government of which the territory formerly constituted a part of Russia, have been forced since August 1, 1914, by reason of military occupation or by any other means or for any other cause, to grant or to allow to be granted by the act of any public authority, concessions, privileges and favours of any kind to Bulgaria or to a Bulgarian national, such concessions, privileges and favours are *ipso facto* annulled by the present Treaty.

No claims or indemnities which may result from this annulment shall be charged against the Allied or Associated Powers or the Powers, States, Governments or public authorities which are released from their engagements by the present Article.

ARTICLE 173. (A. 246.)

From the coming into force of the present Treaty Bulgaria undertakes to give the Allied and Associated Powers and their nationals the benefit *ipso facto* of the rights and advantages of any kind which she has granted by treaties, conventions or arrangements to non-belligerent States or their nationals since August 1, 1914, until the coming into force of the present Treaty, so long as those treaties, conventions or arrangements remain in force.

ARTICLE 174. (A. 247.)

Those of the High Contracting Parties who have not yet signed, or who have signed but not yet ratified, the Opium Convention signed at The Hague on January 23, 1912, agree to bring the said Convention into force, and for this purpose to enact the necessary legislation without delay and in any case within a period of twelve months from the coming into force of the present Treaty.

Furthermore, they agree that ratification of the present Treaty should, in the case of Powers which have not yet ratified the Opium Convention, be deemed in all respects equivalent to the ratification of that Convention, and to the signature of the Special Protocol which was opened at The Hague in accordance with the resolutions adopted by the Third Opium Conference in 1914 for bringing the said Convention into force.

For this purpose the Government of the French Republic will communicate to the Government of the Netherlands a certified copy of the protocol of the deposit of ratifications of the present Treaty, and will invite the Government

of the Netherlands to accept and deposit the said certified copy as if it were a deposit of ratifications of the Opium Convention and a signature of the Additional Protocol of 1914.

ARTICLE 175.

The immunities and privileges of foreigners as well as the rights of jurisdiction and of consular protection enjoyed by the Allied and Associated Powers in Bulgaria by virtue of the capitulations, usages and treaties, may form the subject of special conventions between each of the Allied and Associated Powers concerned and Bulgaria.

The Principal Allied and Associated Powers will enjoy in Bulgaria in the matters mentioned above most favoured nation treatment.

The Allied and Associated Powers concerned undertake among themselves to conclude only such conventions as shall conform to the stipulations of the present Treaty. In case of difference of opinion among them, the League of Nations will be called upon to decide.

SECTION III.—DEBTS

B. 176. See A. 248, pp. 256-7.

(Except that par. following immediately after (4) 'In the case . . . Reparation Commission' is omitted in B.

Next par. for A. 'provided for in paragraph (d)' read B. '*provided in paragraph (d).*'

(b) add following at end: B. '*Nevertheless, debts due by the inhabitants of territory invaded or occupied by the enemy before the Armistice will not be guaranteed by the States of which those territories form part.*'

(c) for A. 'High Contracting Parties' read B. '*Contracting Powers*', and for A. 'Opposing State' read B. '*Opposing Power*'.

(d) 2nd par. for A. 'the said country concerned' read '*the Power concerned*'; 8rd par. for A. 'country' read B. '*Power*'.

last par. : for A. 'the Czecho-Slovak State' read B. '*Czecho-Slovakia*'; and for A. 'Part VIII' read B. '*Part VII* (Reparation).')

ANNEX.

See A., Annex, pp. 257-61.

(Except that for A. '248' read B. '176' throughout.)

No. 11 is the same as H. 11.

(Except that for H. 'one month' read B. '*a month*').

No. 14: add at end. B. '*As an exception, the admitted debts owing by persons having suffered injury from acts of war shall only be credited to the Creditor Clearing Office when the compensation due to the person concerned in respect of such injury shall have been paid.*'

SECTION IV.—PROPERTY, RIGHTS AND INTERESTS

ARTICLE 177. (A. 249.)

The question of private property, rights and interests in an enemy country shall be settled according to the principles laid down in this Section and to the provisions of the Annex hereto.

(a) The exceptional war measures and measures of transfer (defined in paragraph 8 of the Annex hereto) taken by Bulgaria with respect to the property, rights and interests of nationals of Allied or Associated Powers, including companies and associations in which they are interested, when liquidation has not been completed, shall be immediately discontinued or stayed and the property, rights and interests concerned restored to their owners, who shall enjoy full rights therein in accordance with the provisions

of Article 178. The Bulgarian Government will revoke all legislative or administrative provisions which it may have made during the war forbidding companies of Allied and Associated nationality or companies in which Allied or Associated nationals are interested to enjoy the benefit of concessions or contracts in Bulgaria.

(b) Subject to any contrary stipulations which may be provided for in the present Treaty, the Allied and Associated Powers reserve the right to retain and liquidate all property, rights and interests belonging at the date of the coming into force of the present Treaty to Bulgarian nationals, or companies controlled by them, within their territories, colonies, possessions, and protectorates, including territories ceded to them by the present Treaty.

The liquidation shall be carried out in accordance with the laws of the Allied or Associated State concerned, and the Bulgarian owner shall not be able to dispose of such property, rights and interests nor to subject them to any charge without the consent of that State.

Bulgarian nationals who acquire *ipso facto* the nationality of an Allied or Associated Power in accordance with the provisions of the present Treaty will not be considered as Bulgarian nationals within the meaning of this paragraph.

(c) The price or the amount of compensation in respect of the exercise of the right referred to in paragraph (b) will be fixed in accordance with the methods of sale or valuation adopted by the laws of the country in which the property has been retained or liquidated.

(d) As between the Allied and Associated Powers or their nationals on the one hand and Bulgaria or her nationals on the other hand, all the exceptional war measures, or measures of transfer, put into operation by the Allied and Associated Powers, or acts done or to be done in execution of such measures as defined in paragraphs 1 and 3 of the Annex hereto, shall be considered as final and binding upon all persons except as regards the reservations laid down in the present Treaty. If however in the States referred to in paragraph (i) of this Article measures prejudicial to the property, rights and interests of Bulgarian nationals and not in accordance with the local law have been taken, the Bulgarian proprietor shall be entitled to compensation for the damage caused to him. This compensation shall be fixed by the Mixed Arbitral Tribunal provided for by Section VI. The same measures and all others affecting the property, rights and interests of nationals of the Allied and Associated Powers—notably, acts of requisition or seizure, wheresoever effected, by the civil or military authorities, the troops or the population of Bulgaria, or effected in Bulgaria by the civil or military authorities or the troops of the Powers allied with Bulgaria—are declared void, and the Bulgarian Government will take all measures necessary for the restoration of such property, rights and interests.

(e) The nationals of Allied and Associated Powers shall be entitled to compensation in respect of damage or injury inflicted upon their property, rights or interests, including any company or association in which they are interested, in Bulgarian territory as it existed on September 20, 1915, by the application either of the exceptional war measures or measures of transfer mentioned in paragraphs 1 and 3 of the Annex hereto. The claims made in this respect by such nationals shall be investigated, and the total of the compensation shall be determined by the Mixed Arbitral Tribunal provided for in Section VI, or by an arbitrator appointed by that Tribunal. This compensation shall be borne by Bulgaria, and may be charged upon the property of Bulgarian nationals within the territory or under the control of the claimant's State. This property may be constituted as a pledge for enemy liabilities under the conditions fixed by paragraph 4 of the Annex hereto. The payment of this compensation may be made by the Allied or Associated State, and the amount will be debited to Bulgaria.

(f) Whenever a national of an Allied or Associated Power is entitled to

property which has been subjected to a measure of transfer in Bulgarian territory and expresses a desire for its restitution, his claim for compensation in accordance with paragraph (e) shall be satisfied by the restitution of the said property if it still exists in specie.

In such case Bulgaria shall take all necessary steps to restore the evicted owner to the possession of his property, free from all encumbrances or burdens with which it may have been charged after the liquidation, and to indemnify all third parties injured by the restitution.

If the restitution provided for in this paragraph cannot be effected, private agreements arranged by the intermediation of the Powers concerned or the Clearing Offices provided for in the Annex to Section III may be made, in order to secure that the national of the Allied or Associated Power may secure compensation for the injury referred to in paragraph (e) by the grant of advantages or equivalents which he agrees to accept in place of the property, rights or interests of which he was deprived.

Through restitution in accordance with this Article, the price or the amount of compensation fixed by the application of paragraph (e) will be reduced by the actual value of the property restored, account being taken of compensation in respect of loss of use or deterioration.

(g) The rights conferred by paragraph (f) are reserved to owners who are nationals of Allied or Associated Powers within whose territory legislative measures prescribing the general liquidation of enemy property, rights or interests were not applied before the signature of the Armistice.

(h) Except in cases where, by application of paragraph (f), restitutions in specie have been made, the net proceeds of sales of enemy property, rights or interests, wherever situated, carried out either by virtue of war legislation, or by application of this Article, and in general all cash assets of enemies, shall be dealt with as follows :

(1) As regards Powers adopting Section III and the Annex thereto, the said proceeds and cash assets shall be credited to the Power of which the owner is a national, through the Clearing Office established thereunder ; any credit balance in favour of Bulgaria resulting therefrom shall be dealt with as provided in Article 129, Part VII (Reparation), of the present Treaty.

(2) As regards Powers not adopting Section III and the Annex thereto, the proceeds of the property, rights and interests, and the cash assets, of the nationals of Allied or Associated Powers held by Bulgaria shall be paid immediately to the person entitled thereto or to his Government ; the proceeds of the property, rights and interests, and the cash assets, of Bulgarian nationals received by an Allied or Associated Power shall be subject to disposal by such Power in accordance with its laws and regulations, and may be applied in payment of the claims and debts defined by this Article or paragraph 4 of the Annex hereto. Any property, rights and interests or proceeds thereof or cash assets not used as above provided may be retained by the said Allied and Associated Power, and if retained the cash value thereof shall be dealt with as provided in Article 129, Part VII (Reparation), of the present Treaty.

(i) In the case of liquidations effected in new States which are signatories of the present Treaty as Allied and Associated Powers, or in States to which Bulgarian territory is transferred by the present Treaty, or in States which are not entitled to share in the reparation payments to be made by Bulgaria, the proceeds of liquidations effected by such States shall, subject to the rights of the Reparation Commission under the present Treaty, particularly under Article 121, Part VII (Reparation), of the present Treaty, be paid direct to the owner. If, on the application of that owner, the Mixed Arbitral Tribunal provided for by Section VI of this Part, or an arbitrator appointed by that Tribunal, is satisfied that the conditions of the sale or measures taken by the Government of the State in question outside its general legislation were unfairly prejudicial to the price obtained, the Tribunal or arbitrator shall

have discretion to award to the owner equitable compensation to be paid by that State.

(j) Bulgaria undertakes to compensate her nationals in respect of the sale or retention of their property, rights or interests in Allied or Associated States.

(k) The amount of all taxes and imposts upon capital levied or to be levied by Bulgaria on the property, rights and interests of the nationals of the Allied or Associated Powers from September 29, 1918, until three months from the coming into force of the present Treaty, or, in the case of property, rights and interests which have been subjected to exceptional measures of war, until restitution in accordance with the present Treaty, shall be restored to the owners.

ARTICLE 178. (A. 250.)

Bulgaria undertakes, with regard to the property, rights and interests, including companies and associations in which they were interested, restored to nationals of Allied and Associated Powers in accordance with the provisions of Article 177 :

(a) to restore and maintain, except as expressly provided in the present Treaty, the property, rights and interests of the nationals of Allied or Associated Powers in the legal position obtaining in respect of the property, rights and interests of Bulgarian nationals under the laws in force before the war ;

(b) Not to subject the property, rights or interests of the nationals of the Allied or Associated Powers to any measures in derogation of property rights which are not applied equally to the property, rights and interests of Bulgarian nationals, and to pay adequate compensation in the event of the application of these measures.

ARTICLE 179.

Diplomatic or consular claims made before the war by the Representatives or Agents of the Allied and Associated Powers with regard to the private property, rights or interests of nationals of those Powers shall, on the application of the Power concerned, be submitted to the Mixed Arbitral Tribunal provided for in Section VI.

ANNEX.

(See A., Annex, pp. 264-7.)

(Except that for A. '249' read B. '177' throughout.

No. 1, 2nd line, for A. 'winding up of' read B. '*the winding up of*'; and 5th and 20th lines: for A. 'High Contracting Parties' read B. '*Allied and Associated Powers*' and 10th line for A. 'specially' read B. '*specifically*'. Omit last par. of A. 'The provisions . . . be void'.

No. 2, 4th line, omit 'by or on behalf of any national of the former Austrian Empire'; and 9th line for A. 'law' read B. '*laws*'.

No. 4: 1st line, for A. 'nationals of the former Austrian Empire' read B. '*Bulgarian nationals*'; 7th line, for A. 'territory of the former Austrian Empire' read B. '*in Bulgarian territory*'.

9th and 10th lines: for A. 'the former Austro-Hungarian Government' read B. '*the Bulgarian Government*', and for A. 'July 28, 1914' read B. '*October 11, 1915*'.

No. 5: for A. 'war legislation . . . Monarchy' read B. '*Bulgarian war legislation*'.

No. 9: for A. 'the persons referred to in that paragraph' read B. '*Bulgarian nationals*'.

No. 10: 1st par. for A. 'from the coming' read B. '*of the coming*' and 2nd par. for A. 'July 1, 1914' read B. '*September 1, 1915*'.

No. 13: 1st par.: for A. 'in the territory of the former . . . or its allies' read B. '*in Bulgarian territory or in territory occupied by Bulgaria or her allies*'.)

SECTION V.—CONTRACTS, PRESCRIPTIONS, JUDGMENTS

B. 180. See A. 251, pp. 267–8.

(Except that (c) for A. '252' and '257' read B. '183' and '189'.
for A. 'nationals of the former Austrian Empire' read B. '*Bulgarian nationals*'.)

ARTICLE 181.

Transfers of territory under the present Treaty shall not prejudice the private rights referred to in the Treaties of Constantinople, 1913, of Athens, 1913, and of Stamboul, 1914.

Transfers of territory by or to Bulgaria under the present Treaty shall similarly and to the same extent ensure the protection of these private rights.

In case of disagreement as to the application of this Article the difference shall be submitted to an arbitrator appointed by the Council of the League of Nations.

ARTICLE 182.

Concessions, guarantees of receipts, and rights of exploitation in Bulgarian territory as fixed by the present Treaty in which nationals of the Allied and Associated Powers, or companies or associations controlled by such nationals, are interested may in case either of abnormal conditions of working or of dispossession resulting from conditions or measures of war be extended on the application of the interested party, which must be presented within three months from the coming into force of the present Treaty, for a period to be determined by the Mixed Arbitral Tribunal, which shall take account of the period of dispossession or of abnormal conditions of working.

All arrangements approved or agreements come to before the entry of Bulgaria into the war between the Bulgarian authorities and companies or associations controlled by Allied financial groups are confirmed. Nevertheless, periods of time, prices and conditions therein laid down may be revised having regard to the new economic conditions. In case of disagreement the decision shall rest with the Mixed Arbitral Tribunal.

B. 183. See A. 252, pp. 268–9.

(Except that (b) for A. 'the territory of the former Austrian Empire' read B. '*Bulgarian territory*'.)

(c) for A. 'by the authorities of the former Austrian Government' read B. '*by Bulgaria*'.)

B. 184. See A. 253, p. 269.

B. 185. See A. 254, p. 269.

(2nd par. : for A. 'by a judicial authority of the former Austrian Empire' read B. '*by a Bulgarian judicial authority*' and for A. 'Allied and Associated national' read B. '*Allied or Associated National*'.)

ARTICLE 186.

Any company incorporated in accordance with some law other than that of Bulgaria owning property, rights or interests in Bulgaria, which is now or shall hereafter be controlled by nationals of the Allied and Associated Powers, shall have the right, within five years from the coming into force of the present Treaty, to transfer its property, rights and interest to another company incorporated in accordance with Bulgarian law or the law of one of the Allied and Associated Powers whose nationals control it; and the company to which the property is transferred shall continue to enjoy the same rights and privileges which the other company enjoyed under the laws of Bulgaria and the terms of the present Treaty. This company shall not be subjected to any special tax on account of this transfer.

ARTICLE 187. (A. 255.)

For the purpose of Sections III, IV, V and VII, the expression 'during the war' means for each Allied or Associated Power the period between the commencement of the state of war between that Power and Bulgaria and the coming into force of the present Treaty.

ANNEX.

I. *General Provisions.*

B. 1. See A. 1, p. 270.

(Except that for A. '251, 252 and 253' read B. '180, 183 and 184'.)

B. 2. See A. 2, p. 270.

(Except that for A. '251' read B. '180' and for A. '249 (b)' read B. '177 (b)', and add at end of (c) B. 'including contracts and concessions concluded or accorded by the Turkish Government in the territories ceded by the Turkish Empire to Bulgaria before the coming into force of the present Treaty'.)

B. 3. See A. 3, p. 270.

(Except that for A. '251' read B. '180'.)

II. *Provisions relating to certain classes of Contracts.**Stock Exchange and Commercial Exchange Contracts.*

B. 4. See A. 4, pp. 270-1.

(Except that (c) 'The closure . . . confirmed' is omitted.)

Security.

B. 5. See A. 5, p. 271.

Negotiable Instruments.

B. 6 and 7. See A. 6 and 7, p. 271.

III. *Contracts of Insurance.*

B. 8. See A. 8, p. 271.

Fire Insurance.

B. 9 and 10. See A. 9 and 10, p. 271.

Life Insurance.

(At this point the numbering of the Austrian Annex differs from that of the Bulgarian, owing to the fact that No. 11 (A.) includes Nos. 11 and 12 (B.), No. 11 (B.) forming 1st par. of A.)

B. 11 and 12. See A. 11, p. 272.

(Except that, 2nd par., for A. 'under the preceding provision' read B. 'under paragraph 11'.)

B. 13 and 14. See A. 12 and 13, p. 272.

B. 15. See A. 14, p. 272.

(Except that for A. 'paragraphs 11 to 13' read B. 'paragraphs 11 to 14'.)

Marine Insurance.

B. 16-18. See A. 15-17, pp. 272-3.

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Other Insurances.

B. 19. See A. 18, p. 273.

(Except that for A. 'paragraphs 9 to 17' read B. '*paragraphs 9 to 18*'.)

Re-insurance.

B. 20. See A. 19, p. 273.

(Except that for A. 'paragraphs 11 to 17' read B. '*paragraphs 11 to 18*'.)

B. 21-23. See A. 20-22, pp. 273-4.

ARTICLE 24. (A. 28.)

The provisions of paragraphs 17 and 18 and the last part of paragraph 16 shall apply to contracts for the re-insurance of marine risks.

SECTION VI.—MIXED ARBITRAL TRIBUNAL

B. 188. See A. 256, pp. 274-5.

(Except that (b) for A. 'Sections III, IV, V and VII' read B. '*Sections III, IV, V, VII and VIII*'.)

ANNEX.

B. 1-6. See A. 1-6, p. 275.

B. 7. See A. 7, p. 275.

(Except that for A. 'The High Contracting Parties agree' read B. '*Bulgaria agrees*'.)

B. 8. See A. 8, p. 275.

(Except that for A. 'French, Italian or Japanese' read B. '*French or Italian*'.)

B. 9. See A. 9, p. 275.

B. 189. See A. 257, pp. 275-6.

(Except that for A. 'Sections III, IV, V or VII' read B. '*Sections III, IV, V, VII or VIII*'; and last line: for A. 'by the court of the former Austrian Empire' read B. '*by the Bulgarian Court*'.)

SECTION VII.—INDUSTRIAL PROPERTY

ARTICLE 190. (A. 258.)

Subject to the stipulations of the present Treaty, rights of industrial, literary and artistic property, as such property is defined by the International Conventions of Paris and of Berné, mentioned in Article 166, shall be re-established or restored, as from the coming into force of the present Treaty, in the territories of the High Contracting Parties, in favour of the persons entitled to the benefit of them at the moment when the state of war commenced, or their legal representatives. Equally, rights which, except for the war, would have been acquired during the war in consequence of an application made for the protection of industrial property, or the publication of a literary or artistic work, shall be recognised and established in favour of those persons who would have been entitled thereto, from the coming into force of the present Treaty.

Nevertheless, all acts done by virtue of the special measures taken during the war under legislative, executive or administrative authority of any Allied or Associated Power in regard to the rights of Bulgarian nationals in industrial, literary or artistic property shall remain in force and shall continue to maintain their full effect.

No claim shall be made or action brought by Bulgaria or Bulgarian nationals

in respect of the use during the war by the Government of any Allied or Associated Power, or by any persons acting on behalf or with the assent of such Government, of any rights in industrial, literary or artistic property, nor in respect of the sale, offering for sale, or use of any products, articles or apparatus whatsoever to which such rights applied.

Unless the legislation of any one of the Allied or Associated Powers in force at the moment of the signature of the present Treaty otherwise directs, sums due or paid in virtue of any act or operation resulting from the execution of the special measures mentioned in the second paragraph of this Article shall be dealt with in the same way as other sums due to Bulgarian nationals are directed to be dealt with by the present Treaty ; and sums produced by any special measures taken by the Bulgarian Government in respect of rights in industrial, literary or artistic property belonging to the nationals of the Allied or Associated Powers shall be considered and treated in the same way as other debts due from Bulgarian nationals.

Each of the Allied and Associated Powers reserves to itself the right to impose such limitations, conditions or restrictions on rights of industrial, literary or artistic property (with the exception of trade-marks) acquired before or during the war, or which may be subsequently acquired in accordance with its legislation, by Bulgarian nationals, whether by granting licences, or by the working, or by preserving control over their exploitation, or in any other way, as may be considered necessary for national defence, or in the public interest, or for assuring the fair treatment by Bulgaria of the rights of industrial, literary and artistic property held in Bulgarian territory by its nationals, or for securing the due fulfilment of all the obligations undertaken by Bulgaria in the present Treaty. As regards rights of industrial, literary and artistic property acquired after the coming into force of the present Treaty, the right so reserved by the Allied and Associated Powers shall only be exercised in cases where these limitations, conditions or restrictions may be considered necessary for national defence or in the public interest.

In the event of the application of the provisions of the preceding paragraph by any Allied or Associated Power, there shall be paid reasonable indemnities or royalties, which shall be dealt with in the same way as other sums due to Bulgarian nationals are directed to be dealt with by the present Treaty.

Each of the Allied or Associated Powers reserves the right to treat as void and of no effect any transfer in whole or in part of or other dealing with rights of or in respect of industrial, literary or artistic property effected after August 1, 1914, or in the future, which would have the result of defeating the objects of the provisions of this Article.

The provisions of this Article shall not apply to rights in industrial, literary or artistic property which have been dealt with in the liquidation of businesses or companies under war legislation by the Allied or Associated Powers, or which may be so dealt with by virtue of Article 177, paragraph (b).

ARTICLE 191. (A. 259.)

A minimum of one year after the coming into force of the present Treaty shall be accorded to the nationals of the High Contracting Parties, without extension fees or other penalty, in order to enable such persons to accomplish any act, fulfil any formality, pay any fees, and generally satisfy any obligation prescribed by the laws or regulations of the respective States relating to the obtaining, preserving or opposing rights to, or in respect of, industrial property either acquired before August 1, 1914, or which, except for the war, might have been acquired since that date as a result of an application made before the war or during its continuance ; but nothing in this Article shall give any right to reopen interference proceedings in the United States of America where a final hearing has taken place.

All rights in, or in respect of, such property which may have lapsed by reason of any failure to accomplish any act, fulfil any formality, or make any payment, shall revive, but subject in the case of patents and designs to the imposition of such conditions as each Allied or Associated Power may deem reasonably necessary for the protection of persons who have manufactured or made use of the subject-matter of such property while the rights had lapsed. Further, where rights to patents or designs belonging to Bulgarian nationals are revived under this Article, they shall be subject in respect of the grant of licences to the same provisions as would have been applicable to them during the war, as well as to all the provisions of the present Treaty.

The period from August 1, 1914, until the coming into force of the present Treaty shall be excluded in considering the time within which a patent should be worked or a trade-mark or design used, and it is further agreed that no patent, registered trade-mark or design in force on August 1, 1914, shall be subject to revocation or cancellation by reason only of the failure to work such patent or use such trade-mark or design for two years after the coming into force of the present Treaty.

ARTICLE 192. (A. 261.)

No action shall be brought and no claim made by persons residing or carrying on business within the territories of Bulgaria on the one part and of the Allied or Associated Powers on the other, or persons who are nationals of such Powers respectively, or by any one deriving title during the war from such persons, by reason of any action which has taken place within the territory of the other party between the date of the existence of a state of war and that of the coming into force of the present Treaty, which might constitute an infringement of the rights of industrial property or rights of literary and artistic property, either existing at any time during the war or revived under the provisions of Article 191.

Equally, no action for infringement of industrial, literary or artistic property rights by such persons shall at any time be permissible in respect of the sale or offering for sale for a period of one year after the signature of the present Treaty in the territories of the Allied or Associated Powers on the one hand or Bulgaria on the other, of products or articles manufactured, or of literary or artistic works published, during the period between the existence of a state of war and the signature of the present Treaty, or against those who have acquired and continue to use them. It is understood, nevertheless, that this provision shall not apply when the possessor of the rights was domiciled or had an industrial or commercial establishment in the districts occupied by Bulgaria during the war.

This Article shall not apply as between the United States of America on the one hand and Bulgaria on the other.

ARTICLE 193. (A. 262.)

Licences in respect of industrial, literary, or artistic property concluded before the war between nationals of the Allied or Associated Powers or persons residing in their territory or carrying on business therein, on the one part, and Bulgarian nationals, on the other part, shall be considered as cancelled as from the date of the existence of a state of war between Bulgaria and the Allied or Associated Power. But, in any case, the former beneficiary of a contract of this kind shall have the right, within a period of six months after the coming into force of the present Treaty, to demand from the proprietor of the rights the grant of a new licence, the conditions of which, in default of agreement between the parties, shall be fixed by the duly qualified tribunal in the country under whose legislation the rights had been acquired, except in the case of licences held in respect of rights acquired under Bulgarian law. In such cases the conditions shall be fixed by the Mixed Arbitral Tribunal referred to in Section VI of this Part. The tribunal

may, if necessary, fix also the amount which it may deem just should be paid by reason of the use of the rights during the war.

No licence in respect of industrial, literary or artistic property granted under the special war legislation of any Allied or Associated Power shall be affected by the continued existence of any licence entered into before the war, but shall remain valid and of full effect, and a licence so granted to the former beneficiary of a licence entered into before the war shall be considered as substituted for such licence.

Where sums have been paid during the war by virtue of a licence or agreement concluded before the war in respect of rights of industrial property or for the reproduction or the representation of literary, dramatic or artistic works, these sums shall be dealt with in the same manner as other debts or credits of Bulgarian nationals, as provided by the present Treaty.

This Article shall not apply as between the United States of America on the one hand and Bulgaria on the other.

ARTICLE 194. (1st par. A. 264, 2nd par. A. 274).

The inhabitants of territories transferred under the present Treaty shall, notwithstanding this transfer and the change of nationality consequent thereon, continue to enjoy in Bulgaria all the rights in industrial, literary and artistic property to which they were entitled under Bulgarian legislation at the time of the transfer.

Rights of industrial, literary and artistic property which are in force in the territories transferred under the present Treaty at the moment of their transfer from Bulgaria, or which will be re-established or restored in accordance with the provisions of Article 190, shall be recognised by the State to which the said territory is transferred and shall remain in force in that territory for the same period of time given them under the Bulgarian law.

ARTICLE 195. (2nd par. A. 274.)

A special convention shall determine all questions relative to the records, registers and copies in connection with the protection of industrial, literary or artistic property, and fix their eventual transmission or communication by the Bulgarian Offices to the Offices of the States to which Bulgarian territory is transferred.

SECTION VIII.—SPECIAL PROVISIONS RELATING TO
TRANSFERRED TERRITORY

ARTICLE 196. (A. 263.)

Of the individuals and juridical persons previously nationals of Bulgaria those who acquire *ipso facto* under the present Treaty the nationality of an Allied or Associated Power are designated in the provisions which follow by the expression 'former Bulgarian nationals', the remainder being designated by the expression 'Bulgarian nationals'.

ARTICLE 197. (A. 266.)

The Bulgarian Government shall without delay restore to former Bulgarian nationals their property, rights and interests situated in Bulgarian territory. The said property, rights and interests shall be restored free of any charge or tax established or increased since September 29, 1918.

The amount of taxes and imposts on capital which have been levied or increased on the property, rights and interests of former Bulgarian nationals since September 29, 1918, or which shall be levied or increased until restitution in accordance with the provisions of the present Treaty, or, in the case of property, rights, and interests which have not been subjected to exceptional measures of war, until three months from the coming into force of the present Treaty, shall be returned to the owners.

The property, rights, and interests restored shall not be subject to any tax levied in respect of any other property or any other business owned by the same person after such property had been removed from Bulgaria, or such business had ceased to be carried on therein.

If taxes of any kind have been paid in anticipation in respect of property, rights and interests removed from Bulgaria, the proportion of such taxes paid for any period subsequent to the removal of the property, rights and interests in question shall be returned to the owners.

Legacies, donations and funds given or established in Bulgaria for the benefit of former Bulgarian nationals shall be placed by Bulgaria, so far as the funds in question are in her territory, at the disposition of the Allied or Associated Power of which the persons in question are now nationals, in the condition in which these funds were on September 20, 1915, taking account of payments properly made for the purpose of the Trust.

ARTICLE 198.

All contracts between former Bulgarian nationals of the one part and Bulgaria or Bulgarian nationals of the other part, which were made before September 29, 1918, and which were in force at that date, shall be maintained.

Nevertheless, any contract of which the Government of the Allied or Associated Power whose nationality the former Bulgarian national who is a party to the contract has acquired shall notify the cancellation, made in the general interest, to Bulgaria within a period of six months from the coming into force of the present Treaty, shall be annulled, except in respect of any debt or other pecuniary obligation arising out of any act done or money paid thereunder.

The cancellation above referred to shall not be made in any case where the Bulgarian national who is a party to the contract shall have received permission to reside in the territory transferred to the Allied or Associated Power concerned.

ARTICLE 199.

If the annulment provided for in Article 52 would cause one of the parties substantial prejudice, the Mixed Arbitral Tribunal provided for by Section VI of this Part shall be empowered to grant to the prejudiced party compensation calculated solely on the capital employed, without taking account of the loss of profits.

ARTICLE 200. (A. 269.)

With regard to prescriptions, limitations and forfeitures in territory transferred from Bulgaria, the provisions of Articles 183 and 184 shall be applied with substitution for the expression 'outbreak of war' of the expression 'date, which shall be fixed by administrative decision of each Allied or Associated Power, at which relations between the parties became impossible in fact or in law', and for the expression 'duration of the war' of the expression 'period between the date above indicated and that of the coming into force of the present Treaty'.

ARTICLE 201.

Bulgaria undertakes to recognise, so far as she may be concerned, any agreement or convention which has been or shall be made between the Allied and Associated Powers for the purpose of safeguarding the rights and interests of the nationals of these Powers interested in companies or associations constituted according to the laws of Bulgaria, which exercise any activities whatever in the transferred territories. She undertakes to facilitate all measures of transfer, to restore all documents or securities, to furnish all information, and generally to accomplish all acts or formalities appertaining to the said agreements or conventions.

ARTICLE 202.

The settlement of questions relating to debts contracted before September 29, 1918, between Bulgaria or Bulgarian nationals resident in Bulgaria of the one part and former Bulgarian nationals resident in the transferred territories of the other part, shall be effected in accordance with the provisions of Article 176 and the Annex thereto, the expression 'before the war' being replaced by the expression 'before the date, which shall be fixed by administrative decision of each Allied or Associated Power, at which relations between the parties became impossible in fact or in law'.

If the debts were expressed in Bulgarian currency they shall be paid in that currency; if the debt was expressed in any currency other than Bulgarian, it shall be paid in the currency stipulated.

ARTICLE 203. (A. 275.)

Without prejudice to other provisions of the present Treaty, the Bulgarian Government undertakes to hand over to any Power to which Bulgarian territory is transferred such portion of the reserves accumulated by the Government or the administrations of Bulgaria, or by public or private organisations under their control, as is attributable to the carrying on of Social or State Insurance in such territory.

The Powers to which these funds are handed over must apply them to the performance of the obligations arising from such insurances.

The conditions of the delivery will be determined by special conventions to be concluded between the Bulgarian Government and the Governments concerned.

In case these special conventions are not concluded in accordance with the above paragraph within three months after the coming into force of the present Treaty, the conditions of transfer shall in each case be referred to a Commission of five members, one of whom shall be appointed by the Bulgarian Government, one by the other interested Government and three by the Governing Body of the International Labour Office from the nationals of other States. This Commission shall by majority vote within three months after appointment adopt recommendations for submission to the Council of the League of Nations, and the decisions of the Council shall forthwith be accepted as final by Bulgaria and the other States concerned.

PART X.—AERIAL NAVIGATION

ARTICLE 204. (A. 276.)

The aircraft of the Allied and Associated Powers shall have full liberty of passage and landing over and in the territory and territorial waters of Bulgaria, and shall enjoy the same privileges as aircraft belonging to Bulgaria, particularly in case of distress by land or sea.

B. 205. See A. 277, p. 283.

(Except that for A. 'flying over the territory of' read B. '*flying over the territory and territorial waters of*')

B. 206. See A. 278, p. 283.

B. 207. See A. 279, p. 283.

(For A. '276, 277 and 278' read B. '204, 205 and 206'.)

B. 208. See A. 280, p. 283.

(Except that for A. 'Allied or Associated Powers' read B. '*Allied and Associated Powers.*')

B. 209-11. See A. 281-3, p. 283.

PART XI.—PORTS, WATERWAYS AND RAILWAYS

SECTION I.—GENERAL PROVISIONS

ARTICLE 212. (A. 284.)

Bulgaria undertakes to grant freedom of transit through her territories on the routes most convenient for international transit, either by rail, navigable waterway, or canal, to persons, goods, vessels, carriages, wagons and mails coming from or going to the territories of any of the Allied and Associated Powers (whether contiguous or not) ; for this purpose the crossing of territorial waters shall be allowed.

Such persons, goods, vessels, carriages, wagons and mails shall not be subjected to any transit duty or to any undue delays or restrictions, and shall be entitled in Bulgaria to national treatment as regards charges, facilities and all other matters.

Goods in transit shall be exempt from all customs or other similar duties.

All charges imposed on transport in transit shall be reasonable, having regard to the conditions of the traffic. No charge, facility or restriction shall depend directly or indirectly on the ownership or on the nationality of any ship or other means of transport on which any part of the through journey has been, or is to be, accomplished.

ARTICLE 213. (A. 285.)

Bulgaria undertakes neither to impose nor to maintain any control over transmigration traffic through her territories beyond measures necessary to ensure that passengers are *bond fide* in transit ; nor to allow any shipping company or any other private body, corporation or person interested in the traffic to take any part whatever in, or to exercise any direct or indirect influence over, any administrative service that may be necessary for this purpose.

ARTICLE 214. (A. 286.)

Bulgaria undertakes to make no discrimination or preference, direct or indirect, in the duties, charges and prohibitions relating to importations into or exportations from her territories, or, subject to the special engagements contained in the present Treaty, in the charges and conditions of transport of goods or persons entering or leaving her territories, based on the frontier crossed ; or on the kind, ownership or flag of the means of transport (including aircraft) employed ; or on the original or immediate place of departure of the vessel, wagon or aircraft or other means of transport employed, or its ultimate or intermediate destination ; or on the route of or places of transshipment on the journey ; or on whether any port through which the goods are imported or exported is a Bulgarian port or a port belonging to any foreign country ; or on whether the goods are imported or exported by sea, by land or by air.

Bulgaria particularly undertakes not to establish against the ports and vessels of any of the Allied and Associated Powers any surtax or any direct or indirect bounty for export or import by Bulgarian ports or vessels, or by those of another Power, for example by means of combined tariffs. She further undertakes that persons or goods passing through a port or using a vessel of any of the Allied and Associated Powers shall not be subjected to any formality or delay whatever to which such persons or goods would not be subjected if they passed through a Bulgarian port or a port of any other Power, or used a Bulgarian vessel or a vessel of any other Power.

ARTICLE 215. (A. 287.)

All necessary administrative and technical measures shall be taken to shorten, as much as possible, the transmission of goods across the Bulgarian

frontiers and to ensure their forwarding and transport from such frontiers, irrespective of whether such goods are coming from or going to the territories of the Allied and Associated Powers or are in transit from or to those territories, under the same material conditions in such matters as rapidity of carriage and care *en route* as are enjoyed by other goods of the same kind carried on Bulgarian territory under similar conditions of transport.

In particular, the transport of perishable goods shall be promptly and regularly carried out, and the customs formalities shall be effected in such a way as to allow the goods to be carried straight through by trains which make connection.

ARTICLE 216. (A. 288 and 289.)

The seaports of the Allied and Associated Powers are entitled to all favours and to all reduced tariffs granted on Bulgarian railways or navigable waterways for the benefit of Bulgarian ports or of any port of another Power.

Bulgaria may not refuse to participate in the tariffs or combinations of tariffs intended to secure for ports of any of the Allied and Associated Powers advantages similar to those granted by Bulgaria to her own ports or the ports of any other Power.

ARTICLE 217.

Notwithstanding any contrary provision in existing conventions, Bulgaria undertakes to grant, on the lines most convenient for international transit, and subject to the tariffs in force, liberty of transit to telegraphic messages and telephone communications to or from any of the Allied and Associated Powers, whether contiguous or not. These messages and communications shall not be submitted to any unnecessary delays or restrictions, and shall be entitled in Bulgaria to national treatment as regards facilities and rapidity of transmission. No charge, facility or restriction shall depend either directly or indirectly on the nationality of the sender or addressee.

SECTION II.—NAVIGATION

Chapter I.—FREEDOM OF NAVIGATION.

B. 218. See A. 290, p. 285.

Chapter II.—CLAUSES RELATING TO THE DANUBE.

1. *General Clauses relating to River Systems declared International.*

B. 219. See H. 275, p. 282.

B. 220. See A. 292, p. 286.

ARTICLE 221. (A. 293, 1st par. only.)

Bulgarian vessels shall not be entitled to carry passengers or goods by regular services between the ports of any Allied or Associated Power without special authority from such Power.

Bulgaria undertakes to maintain, in favour of the Allied and Associated Powers and of their subjects, all the facilities enjoyed by them in Bulgarian ports before the war.

B. 222-3. See A. 294-5, p. 286.

B. 224. See A. 296, p. 286.

(Except that, 1st par., for A. 'waterways' read B. 'rivers'.)

B. 225. See A. 297, pp. 286-7.

(Except that 1st par. for A. 'necessary measures' read B. 'suitable measures'.)

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B. 226. See A. 298, p. 287.

B. 227. See A. 299, p. 287.

(Except that for A. '292 and 294 to 298' read B. '220 and 222 to 226' and for A. '331' read B. '248'.)

B. 228. See H. 284, pp. 287-8.

(Except that for H. '275' read B. '219' and 4th par. for H. 'Wherever the cessions . . . change of ownership' read B. '*When the cessions provided for in the present Article necessitate the acquisition of property which was privately owned on October 15, 1918, or since that date*' and for H. 'States' read B. 'Powers'.)

2. *Special Clauses relating to the Danube.*

B. 229. See A. 301, p. 288.

B. 230. See A. 302, p. 288.

(Except that for A. '291' read B. '219'.)

B. 231. See A. 303, p. 288.

(Except that for A. '292 and 294 to 298' read B. '220 and 222 to 226' and 3rd par. for A. 'expense' read B. 'expenses'.)

ARTICLE 232. (A. 304.)

Bulgaria agrees to accept the régime which shall be laid down for the Danube by the Powers nominated by the Allied and Associated Powers, at a Conference which shall meet within one year after the coming into force of the present Treaty, and at which Bulgarian representatives may be present.

B. 233-5. See A. 305-7, p. 289.

SECTION III.—RAILWAYS

Chapter I.—CLAUSES RELATING TO INTERNATIONAL TRANSPORT.

B. 236. See H. 295, pp. 290-1.

(Except that last par. A. is omitted 'However . . . German ports'.)

B. 237. See A. 313.

(Except that 1st par. for A. 'the present Article' read B. '*this Article*'.)

B. 238-40. See A. 314-6, p. 291.

Chapter II.—ROLLING-STOCK.

B. 241. See A. 317, p. 292.

Chapter III.—TRANSFER OF RAILWAY LINES.

ARTICLE 242. (A. 318.)

Subject to any special provisions concerning the transfer of ports, waterways and railways situated in the territory transferred under the present Treaty, and to the financial conditions relating to the concessionnaires and the pensioning of the personnel, the transfer of railways will take place under the following conditions :

(1) The works and installations of all the railroads shall be handed over complete and in good condition.

(2) Commissions of experts designated by the Allied and Associated Powers,

on which Bulgaria shall be represented, shall fix the proportion of the stock existing on the system to be handed over. These Commissions shall have regard to the amount of the material registered on these lines in the last inventory before September 29, 1918, to the length of track (sidings included), and the nature and amount of the traffic. These Commissions shall also specify the locomotives, carriages and wagons to be handed over in each case; they shall decide upon the conditions of their acceptance, and shall make the provisional arrangements necessary to ensure their repair in Bulgarian workshops.

(8) Stocks of stores, fittings and plant shall be handed over under the same conditions as the rolling-stock.

ARTICLE 243.

The establishment of all the new frontier stations between Bulgaria and the contiguous Allied and Associated States, as well as the working of the lines between these stations, shall be settled by agreements concluded between the railway administrations concerned. If the railway administrations are unable to come to an agreement the question shall be decided by Commissions of experts constituted as above.

Chapter IV.—TRANSITORY PROVISIONS.

ARTICLE 244. (A. 325.)

Bulgaria shall carry out the instructions in regard to transport given her by an authorised body acting on behalf of the Allied and Associated Powers :

(1) for the carriage of troops under the provisions of the present Treaty, and of material, ammunition and supplies for army use ;

(2) as a temporary measure, for the transportation of supplies for certain regions, as well as for the restoration, as rapidly as possible, of the normal conditions of transport and for the organisation of postal and telegraphic services.

SECTION IV.—DISPUTES AND REVISION OF PERMANENT CLAUSES

ARTICLE 245. (A. 328.)

Disputes which may arise between interested States with regard to the interpretation and application of this Part of the present Treaty shall be settled as provided by the League of Nations.

ARTICLE 246. (A. 329.)

At any time the League of Nations may recommend the revision of such of the above Articles as relate to a permanent administrative régime.

ARTICLE 247. (A. 330.)

The stipulations in Articles 212 to 218, 221, 236, and 238 to 240 shall be subject to revision by the Council of the League of Nations at any time after three years from the coming into force of the present Treaty.

Failing such revision, no Allied or Associated Power can claim after the expiration of the above period of three years the benefit of any of the stipulations in the Articles enumerated above on behalf of any portion of its territories in which reciprocity is not accorded in respect of such stipulations. The period of three years during which reciprocity cannot be demanded may be prolonged by the Council of the League of Nations.

SECTION V.—SPECIAL PROVISION

ARTICLE 248. (A. 331.)

Without prejudice to the special obligations imposed on her by the present Treaty for the benefit of the Allied and Associated Powers, Bulgaria undertakes to adhere to any General Conventions regarding the international régime of transit, waterways, ports or railways which may be concluded by the Allied and Associated Powers, with the approval of the League of Nations, within five years of the coming into force of the present Treaty.

PART XII.—LABOUR

B. Introduction and Arts. 249–289. See Vol. III, pp. 314–28.

PART XIII.—MISCELLANEOUS PROVISIONS

B. 290–1. See A. 373 and 375, pp. 297–9.

ANNEX.

See A., p. 297.

B. 292. See A. 374, p. 297.

B. 293. See A. 379, p. 300.

B. 294. See A. 376, p. 299.

B. 295. See A. 377, p. 299.

(Except that 2nd par. A. for 'will bar completely' read B. '*shall bar completely*'.)

ARTICLE 296. (First 2 pars. A. 378.)

Bulgaria accepts and recognises as valid and binding all decrees and orders concerning Bulgarian ships and Bulgarian goods and all orders relating to the payment of costs made by any Prize Court of any of the Allied or Associated Powers, and undertakes not to put forward any claim arising out of such decrees or orders on behalf of any Bulgarian national.

The Allied and Associated Powers reserve the right to examine in such manner as they may determine all decisions and orders of Bulgarian Prize Courts, whether affecting the property rights of nationals of those Powers or of neutral Powers. Bulgaria agrees to furnish copies of all the documents constituting the record of the cases, including the decisions and orders made, and to accept and give effect to the recommendations made after such examination of the cases.

With a view to minimising the losses arising from the sinking of ships and cargoes in the course of the war and to facilitating the recovery of ships and cargoes which can be salvaged and the adjustment of the private claims arising with regard thereto, the Bulgarian Government undertakes to supply all the information in their power which may be of assistance to the Governments of the Allied and Associated Powers or to their nationals with regard to vessels sunk or damaged by the Bulgarian naval forces during the period of hostilities.

The present Treaty, in French, in English, and in Italian, shall be ratified. In case of divergence, the French text shall prevail, except

in Parts I (Covenant of the League of Nations) and XII (Labour), where the French and English texts shall be of equal force.

The deposit of ratifications shall be made at Paris as soon as possible.

Powers of which the seat of the Government is outside Europe will be entitled merely to inform the Government of the French Republic through their diplomatic representative at Paris that their ratification has been given; in that case they must transmit the instrument of ratification as soon as possible.

A first procès-verbal of the deposit of ratifications will be drawn up as soon as the Treaty has been ratified by Bulgaria on the one hand, and by three of the Principal Allied and Associated Powers on the other hand.

From the date of this first procès-verbal the Treaty will come into force between the High Contracting Parties who have ratified it. For the determination of all periods of time provided for in the present Treaty this date will be the date of the coming into force of the Treaty.

In all other respects the Treaty will enter into force for each Power at the date of the deposit of its ratification.

The French Government will transmit to all the signatory Powers a certified copy of the procès-verbaux of the deposit of ratifications.

IN FAITH WHEREOF the above-named Plenipotentiaries have signed the present Treaty.

Done at Neuilly-sur-Seine, the twenty-seventh day of November, one thousand nine hundred and nineteen, in a single copy which will remain deposited in the archives of the French Republic, and of which authenticated copies will be transmitted to each of the signatory Powers.

(L.S.) FRANK L. POLK.	(L.S.) R. A. BLANKENBERG.
(L.S.) HENRY WHITE.	(L.S.) EYRE A. CROWE.
(L.S.) TASKER H. BLISS.	(L.S.) G. CLEMENCEAU.
(L.S.) CECIL HARMSWORTH.	(L.S.) S. PICHON.
(L.S.) EYRE A. CROWE.	(L.S.) L.-L. KLOTZ.
(L.S.) GEORGE H. PERLEY.	(L.S.) ANDRÉ TARDIEU.
(L.S.) ANDREW FISHER.	(L.S.) JULES CAMBON.
(L.S.) THOMAS MACKENZIE.	
(L.S.) GUGLIELMO MARCONI.	(L.S.) J. VAN DEN HEUVEL.
(L.S.) G. DE MARTINO.	(L.S.) ROLIN-JAEQUEMYS.
(L.S.) K. MATSUI.	(L.S.) VIKYUIN WELLINGTON KOO.
(L.S.) RAFAEL MARTINEZ ORTIZ.	(L.S.) L. GRABSKI.
(L.S.) ELEFTHÉRIOS VENIZELOS.	(L.S.) ST. PATEK.
(L.S.) N. POLITIS.	(L.S.) AFFONSO COSTA.
(L.S.) M. RUSTEM HAIDAR.	(L.S.) JAYME BATALHA REIS.
(L.S.) AOUNI ABDUL-HADI.	
(L.S.) NIK. P. PACHITCH.	(L.S.) DR. EDUARD BENES.
(L.S.) DR. ANTE TRUMBIC.	(L.S.) STEFAN OSUSKY.
(L.S.) DR. IVAN ZOLGER.	(L.S.) AL. STAMBOULISKI.
(L.S.) CHAROON.	

PROTOCOL

With a view to indicating precisely the conditions in which certain provisions of the Treaty of even date are to be carried out, it is agreed by the High Contracting Parties that :

(1) The list of persons to be handed over to the Allied and Associated Governments by Bulgaria under the second paragraph of Article 118 shall be communicated to the Bulgarian Government within a month from the coming into force of the Treaty ;

(2) Proceedings will be taken against persons who have committed punishable offences in the liquidation of Bulgarian property, and the Allied and Associated Powers will welcome any information or evidence which the Bulgarian Government can furnish on this subject.

Done in French, in English and in Italian, of which the French text shall prevail in case of divergence, at Neuilly-sur-Seine, the twenty-seventh day of November, one thousand nine hundred and nineteen.

(Here follow signatures as above.)

CONCORDANCE OF THE ARTICLES IN THE AUSTRIAN, HUNGARIAN, AND BULGARIAN TREATIES

AUSTRIA.	HUNGARY.	BULGARIA.
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Part I. <i>League of Nations.</i>	Part I. <i>League of Nations.</i>	Part I. <i>League of Nations.</i>
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Part II. <i>Frontiers.</i>	Part II. <i>Frontiers.</i>	Part II. <i>Frontiers.</i>
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37	39	—
38-9	—	—
40	37	—
41	—	—
42	38	—
43-4	—	—
45	40 (1st 2 pars. A. only)	—
Sec. II. <i>Serb-Croat-Slovene State.</i>	Sec. II. <i>Serb-Croat-Slovene State.</i>	Sec. I. <i>Serb-Croat-Slovene State.</i>
46-7	41-2	36-7
48	43 (1st par. A. only)	38 (1st par. A. only)
49-50	—	—
51	{ 44 (1st par. = A. 51, 2nd	—
52	and 3rd pars. = A. 52)	41
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AUSTRIA.	HUNGARY.	BULGARIA.
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53-4	48-9	
55	50 (1st par. A. only)	
56	51	
57	—	
58	52	
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59	45	
60	{ 47 (1st par. = A. 60, 2nd and 3rd pars. = A. 61)	
61	46	
	Sec. V. <i>Fiume.</i>	
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		Sec. II. <i>Greece.</i>
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		Sec. III. <i>Thrace.</i>
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66	{ 58 (1st 4 pars. = A. 66, last par. = A. 67)	53
67	59	54
68	60	55
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Sec. VI. <i>Clauses relating to Nationality.</i>	Sec. VII. <i>Clauses relating to Nationality.</i>	
70	61	
71-5	—	
76	62 (1st par. = A. 76, 2nd par. = A. 77)	
77	63	
78	—	
79	64-6	
80-2		
Sec. VII. <i>Political Clauses relating to certain European States.</i>	Sec. VIII. <i>Political Clauses relating to certain European States.</i>	
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87	72	
	71	58
Sec. VIII. <i>General Provisions.</i>	Sec. IX. <i>General Provisions.</i>	Sec. V. <i>General Provisions.</i>
88	73	—
89	{ 74 (1st par. = A. 89, 2nd par. = A. 90)	59
90	75	60
91	76	—
92	77-8	61
93-4		

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96	80	
97	81	62 (1st par.)
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Sec. II. <i>Egypt.</i>	Sec. II. <i>Egypt.</i>	
102-3	86-7	68 (1st par.)
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121	105	Cf. 67
122	106	68
123	107	69 (par. added)
124	108	70
125-6	109-10	71-2
127	111	73 (par. added)
128	112	74 (par. added)
129-30	113-14	75
131	—	76-7
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198	181 (4 pars. added)	133
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200	183 (par. added)	Cf. 185
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211	194	—
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290 291 292 293 294-300 301-3 304 305-7 308	274 275 (par. omitted) 276 277 278-84 285-7 288 (2 pars. added) 289-91 —	218 219 (par. omitted) 220 221 (par. added) 222-8 229-31 232 233-5 —
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311 312-16 317 318 — 319 320 321 322 323 324 — 325 326-7	294 295-9 300 301 — 302 (2 pars. added) 304 — 306 307 (1st 2 pars. = A. 323, 3rd and 4th pars. = A. 324) 308, 305 308 309-10	— 236-40 241 242 (2 pars. omitted) 243 — — — — — — — 244 —
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328-9 330 331	311-12 313 314	245-6 247 (par. omitted) 248
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APPENDICES

APPENDIX I

RECOMMENDATIONS OF THE ECONOMIC CONFERENCE OF THE ALLIES, HELD AT PARIS ON JUNE 14, 15, 16, AND 17, 1916¹

I

THE representatives of the Allied Governments have met at Paris under the presidency of M. Clémentel, Minister of Commerce, on June 14, 15, 16, and 17, 1916, for the purpose of fulfilling the mandate given to them by the Paris Conference of March 28, 1916, of giving practical expression to their solidarity of views and interests, and of proposing to their respective Governments the appropriate measures for realizing this solidarity.

II

They declare that after forcing upon them the military contest in spite of all their efforts to avoid the conflict, the Empires of Central Europe are to-day preparing, in concert with their Allies, for a contest on the economic plane, which will not only survive the re-establishment of peace, but will at that moment attain its full scope and intensity.

III

They cannot therefore conceal from themselves that the agreements which are being prepared for this purpose between their enemies have the obvious object of establishing the domination of the latter over the production and the markets of the whole world and of imposing on other countries an intolerable yoke.

In face of so grave a peril the Representatives of the Allied Governments consider that it has become their duty, on grounds of necessary and legitimate defence, to adopt and realize from now onward all the measures requisite on the one hand to secure for themselves and for the whole of the markets of neutral countries full economic independence and respect for sound commercial practice, and on the other hand to facilitate the organization on a permanent basis of their economic alliance.

For this purpose the Representatives of the Allied Governments have decided to submit for the approval of those Governments the following resolutions :

¹ In French. *Parliamentary Papers*, 1916, Cd. 8271.

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A

MEASURES FOR THE WAR PERIOD

I

The laws and regulations prohibiting trading with the enemy shall be brought into accord.

For this purpose :

- A. The Allies will prohibit their own subjects and citizens and all persons residing in their territories from carrying on any trade with :
 - 1. The inhabitants of enemy countries whatever their nationality.
 - 2. Enemy subjects wherever resident.
 - 3. Persons, firms and companies whose business is controlled wholly or partially by enemy subjects or is subject to enemy influence and whose names are included in a special list.
- B. They will prohibit the importation into their territories of all goods originating in or coming from enemy countries.
- C. They will devise means of establishing a system enabling contracts entered into with enemy subjects and injurious to national interests to be cancelled unconditionally.

II

Business undertakings owned or operated by enemy subjects in the territories of the Allies will all be sequestered or placed under control ; measures will be taken for the purpose of winding up some of these undertakings and of realizing their assets, the proceeds of such realization remaining sequestered or under control.

III

In addition to the export prohibitions which are necessitated by the internal situation of each of the Allied countries, the Allies will complete the measures already taken for the restriction of enemy supplies, both in the mother countries and in the Dominions, Colonies and Protectorates :

- 1. By unifying the lists of contraband and of export prohibition, and particularly by prohibiting the export of all commodities declared absolute or conditional contraband ;
- 2. By making the grant of licences for export to neutral countries from which export to enemy territories might take place conditional upon the existence in such countries of control organizations approved by the Allies ; or, in the absence of such organizations, upon special guarantees such as the limitation of the quantities exported, supervision by Allied consular officers, etc.

B

TRANSITORY MEASURES FOR THE PERIOD OF COMMERCIAL, INDUSTRIAL, AGRICULTURAL, AND MARITIME RECONSTRUCTION OF THE ALLIED COUNTRIES.

I

The Allies declare their common determination to ensure the re-establishment of the countries suffering from acts of destruction,

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spoliation, and unjust requisition, and decide to join in devising means to secure the restoration to those countries, as a prior claim, of their raw materials, industrial and agricultural plant, stock, and mercantile fleet, or to assist them to re-equip themselves in these respects.

II

Whereas the war has put an end to all the treaties of commerce between the Allies and the Enemy Powers, and whereas it is of essential importance that, during the period of economic reconstruction which will follow the cessation of hostilities, the liberty of none of the Allies should be hampered by any claim put forward by the Enemy Powers to most-favoured-nation treatment, the Allies agree that the benefit of this treatment shall not be granted to those Powers during a number of years to be fixed by mutual agreement among themselves.

During this number of years the Allies undertake to assure to each other so far as possible compensatory outlets for trade in case consequences detrimental to their commerce result from the application of the undertaking referred to in the preceding paragraph.

III

The Allies declare themselves agreed to conserve for the Allied countries, before all others, their natural resources during the whole period of commercial, industrial, agricultural and maritime reconstruction, and for this purpose they undertake to establish special arrangements to facilitate the interchange of these resources.

IV

In order to defend their commerce, their industry, their agriculture and their navigation against economic aggression resulting from dumping or any other mode of unfair competition the Allies decide to fix by agreement a period of time during which the commerce of the enemy powers shall be submitted to special treatment and the goods originating in their countries shall be subjected either to prohibitions or to a special régime of an effective character.

The Allies will determine by agreement through diplomatic channels the special conditions to be imposed during the above-mentioned period on the ships of the enemy powers.

V

The Allies will devise the measures to be taken jointly or severally for preventing enemy subjects from exercising, in their territories, certain industries or professions which concern national defence or economic independence.

C

PERMANENT MEASURES OF MUTUAL ASSISTANCE AND COLLABORATION AMONG THE ALLIES.

I

The Allies decide to take the necessary steps without delay to render themselves independent of the enemy countries in so far as regards the raw materials and manufactured articles essential to the normal development of their economic activities.

These steps should be directed to assuring the independence of the Allies not only so far as concerns their sources of supply, but also as regards their financial, commercial and maritime organization.

The Allies will adopt the methods which seem to them most suitable for the carrying out of this resolution, according to the nature of the commodities and having regard to the principles which govern their economic policy.

They may, for example, have recourse either to enterprises subsidized, directed or controlled by the Governments themselves, or to the grant of financial assistance for the encouragement of scientific and technical research and the development of national industries and resources; to customs duties or prohibitions of a temporary or permanent character; or to a combination of these different methods.

Whatever may be the methods adopted, the object aimed at by the Allies is to increase production within their territories as a whole to a sufficient extent to enable them to maintain and develop their economic position and independence in relation to enemy countries.

II

In order to permit the interchange of their products, the Allies undertake to adopt measures for facilitating their mutual trade relations both by the establishment of direct and rapid land and sea transport services at low rates, and by the extension and improvement of postal, telegraphic, and other communications.

III

The Allies undertake to convene a meeting of technical delegates to draw up measures for the assimilation, so far as may be possible, of their laws governing patents, indications of origin and trade marks.

In regard to patents, trade marks, and literary and artistic copyright which have come into existence during the war in enemy countries, the Allies will adopt, so far as possible, an identical procedure, to be applied as soon as hostilities cease.

This procedure will be elaborated by the technical delegates of the Allies.

D

Whereas for the purposes of their common defence against the enemy the Allied Powers have agreed to adopt a common economic policy, on the lines laid down in the Resolutions which have been passed, and whereas it is recognized that the effectiveness of this policy depends absolutely upon these Resolutions being put into operation forthwith, the Representatives of the Allied Governments undertake to recommend their respective Governments to take without delay all the measures, whether temporary or permanent, requisite for giving full and complete effect to this policy forthwith, and to communicate to each other the decisions arrived at to attain that object.

APPENDIX II

REPARATION DOCUMENTS

Introduction. The whole question of Reparation was discussed at considerable length in Volume I (pp. 5-16, 424-7) and Volume II (pp. 309-13, 343, 351, 389, 397-404). It seems clear from the discussion over Reparation in the correspondence with the Austrian and Hungarian Delegations, more particularly with the Hungarian (see Vol. IV, Chap. VII, pp. 425-6) that the Allied and Associated Powers applied exactly the same principles of Reparation to Austria, Bulgaria, and Hungary as to Germany. 'It (the Hungarian Delegation) demands the suppression of these three paragraphs,¹ of which the disposition, according to it, is contrary to the fundamental principles proclaimed by President Wilson.

'The terms of Annex I are identical with those which have been inserted in the Treaties of Versailles, of St. Germain, of Neuilly, and the Allied and Associated Powers cannot permit any modification in the actual text, as Hungary advances no special reason peculiar to herself.' (Reply of Allied and Associated Powers to Hungarian Delegation, 6th May 1920.)

This passage would prove that Reparation is really defended in these three Treaties by the same principles as were applied to the German Treaty. Consequently, the whole question of the binding character of the pre-Armistice Agreement or of its subsequent modification by Article 19 of the Armistice Convention with Germany is of importance in relation to the three Treaties above mentioned. In Volume I (pp. 420-7) and Volume II (p. 402) it has been suggested that, as the Armistice Convention was the later instrument and an instrument signed by both parties, Clause 19 of that Convention must affect its interpretation. This interpretation depends a good deal on what the actual text of Clause 19 really is, which is still in dispute.

To make the matter clear we will first quote the relevant extract from the pre-Armistice Agreement and then Clause 19 of the Armistice.

The sentence defining damage in President Wilson's Note of the 5th November 1918, in reply to the Fourth German Note of the 27th October, which, he says, embodies a memorandum of observations by the Allied Governments, is as follows :

'Further, in the conditions of peace laid down in his Address to Congress of January 8, 1918, the President declared that the invaded territories must be restored as well as evacuated and freed, and the Allied Governments feel that no doubt ought to be allowed to exist as to what this provision implies.

By it they understand that compensation will be made by Germany for all damage done to the civilian population of the Allies and their property by the aggression of Germany by land, by sea, and from the air.

¹ That is, paragraphs 5, 6, and 7 of Annex I to Part VIII of the Hungarian Treaty which are identical with those in Annex I of Part VII of the German Treaty. See Vol. III, p. 219.

I am instructed by the President to say that he is in agreement with the interpretation set forth in the last paragraph of the memorandum above quoted.' . . .

The French version of Clause 19 of the Armistice Convention is the official text, but it is a remarkable fact that the French differs from the British and German official versions. The British official version contained in Misc. No. 25, 1918, Cd. 9212, runs as follows :

19. *Clauses financières.* Sous réserve de toute *renonciation* et réclamation ultérieure de la part des Alliés et des États-Unis.

19. *Financial Clauses.* With the reservation that any future *claims* and demands of the Allies and United States shall remain unaffected, the following financial conditions are required.

Réparation des dommages.

Reparation for damage done.

In the French official version the word 'renonciation', italicized in the above quotation, is given as 'revendication'. 'Renonciation' is translated in the above quoted British official version by the word 'claims', which is obviously incorrect. In another translation (Army, Cmd. 53, 1919) this word is translated by 'concessions', which is accurate. The German official text published in Berlin, 1919, gives 'renonciation' with German equivalent as 'Verzicht'.² There is, therefore, a definite conflict of evidence. The French official version of the French text has 'revendication', which can be translated by the word

¹ Baruch, p. 321, gives a translation of a speech by M. Klotz, 15th February 1919, in which he quotes this clause as 'Reserving all subsequent claims and demands'. . . . M. Klotz is obviously quoting 'revendication'.

M. Tardieu also definitely states in *L'Illustration* of 6th November 1920 that the word 'revendication' was used. 'M. Klotz propose de mettre en tête de cette addition les mots : "Sous réserve de toutes revendications et réclamations ultérieures de la part des Alliés et des États-Unis." Il en est ainsi décidé.'

Mr. Baruch (p. 23) states that Clause 19 of the Armistice had the following words : 'With the reservation that any future claims and demands' . . . This may imply 'revendication' or be a mistranslation of 'renonciation'.

² v. *Deutsche Waffenstillstands-Kommission*, p. 9. On pp. 18 and 19 they add the following important details as to the negotiations on the 9th and 10th November 1918.

German Objection to original text of Clause XIX.

Foch's Reply.

'The reservation that final financial arrangements are to be made in the Treaty of Peace is agreed to. Contrary thereto, it is admitted that the issue of the Belgian and Russian securities referred to is to take place during the time of the armistice, and that no securities are to be destroyed which might, at the time of peace negotiations, be made to contribute their quota towards meeting obligations.'

'The remarks made only refer to the agreement concerning these clauses. No alterations should therefore be made to the text.'

In each case the words here quoted are in German and are herewith translated into English. The original correspondence was presumably in French, and has not apparently been published.

'claims' in English. The British and German official versions have 'renonciation', which can be translated by the word 'concessions'. If the word 'revendication' is correct and Clause 19 of the Armistice Convention is really important as affecting the interpretation of the sentence defining damage to civilians in the 5th November Memorandum, the interpretation will be entirely different from what it would be if the word 'renonciation' is correct. It appears, therefore, a fact, though a surprising one, that the French, British, and German Governments are still disputing as to the text of the Armistice, and until this difference has been adjusted and until it has been agreed whether 'renonciation' or 'revendication' is correct there will be considerable doubt, not only as to the interpretation of this clause, but as to the actual text that it is necessary to interpret. The difficulty is increased by the fact that the first British official translation of 'renonciation' is obviously an error. Either the word is mistranslated or 'revendication' was in the original French text. The fact remains, failing correction, that the British and the German versions of the French text agree, though they are opposed to the French official version.

A great deal of light has recently been thrown on all these questions by the publication of Mr. Baruch's book on the *Making of the Reparation and Economic Sections of the Treaty*. One of the most important disclosures is that the President's advisers were divided in their opinion as to whether pensions came legally under the head of Reparation (p. 28), and the arguments of Mr. Dulles are given in full in the Appendix, as well as a speech of Mr. Hughes and of M. Klotz (pp. 289 and 387). According to Mr. Baruch the matter was eventually settled by a memorandum of General Smuts which convinced the Four that pensions were included in Reparation. 'The final argument that won the unanimous approval of what was known as the Big Four was a memorandum submitted by General Smuts' (p. 29). This is given below.

I

NOTE ON REPARATION BY GENERAL SMUTS¹

The extent to which reparation can be claimed from Germany depends in the main on the meaning of the last reservation made by the Allies in their note to President Wilson, November 1918. That reservation was agreed to by President Wilson and accepted by the German Government in the armistice negotiations, and was in the following terms:

'Further, in the conditions of peace laid down in his address to Congress on January 8, 1918, the President declared that invaded territories must be restored, as well as evacuated and made free. The Allied Governments feel that no doubt ought to be allowed to exist as to what this provision implies. By it they understand that

¹ Quoted from B. M. Baruch, *The Making of the Reparation and Economic Sections of the Treaty*, New York and London, 1920, pp. 29-32. This Memorandum is given here as it was referred to in Vol. II, pp. 14, n. 2, and 45, n. 1. On p. 14, par. 2, line 7, for 'proposed by General Smuts' read 'advocated by'.

compensation will be made by Germany for all damage done to the civilian population of the Allies and to their property by the aggression of Germany by land, by sea, and from the air.'

In this reservation, a careful distinction must be made between the quotation from the President, which refers to the evacuation and restoration of the invaded territories, and the implication which the Allies find in that quotation and which they proceed to enunciate as a principle of general applicability. The Allies found in the President's provision for restoration of the invaded territories a general principle implied of far-reaching scope. This principle is that of compensation for all damage to the civilian population of the Allies in their persons or property, which resulted from the German aggression, and whether done on land or sea or from the air. By accepting this comprehensive principle (as the German Government did) they acknowledged their liability to compensation for all damage to the civilian population or their property wherever and however arising, so long as it was the result of German aggression. The President's limitation to restoration of the invaded territories only of some of the Allies was clearly abandoned.

The next question, is how to understand the phrase 'civilian population' in the above reservation, and it can be most conveniently answered by an illustration. A shopkeeper in a village in northern France lost his shop through enemy bombardment, and was himself badly wounded. He would be entitled as one of the civilian population to compensation for the loss of his property and for his personal disablement. He subsequently recovered completely, was called up for military service, and after being badly wounded and spending some time in the hospitals was discharged as permanently unfit. The expense he was to the French Government during this period as a soldier (his pay and maintenance, his uniform, rifle, ammunition, his keep in hospital, etc.) was not damage to a civilian, but military loss to his Government, and it is therefore arguable that the French Government cannot recover compensation for such expense under the above reservation. His wife, however, was during this period deprived of her bread-winner, and she, therefore, suffered damage as a member of the civilian population, for which she would be entitled to compensation. In other words, the separation allowances paid to her and her children during this period by the French Government would have to be made good by the German Government, as the compensation which the allowances represent was their liability. After the soldier's discharge as unfit, he rejoins the civilian population, and as for the future he cannot (in whole or in part) earn his own livelihood, he is suffering damage as a member of the civilian population, for which the German Government are again liable to make compensation. In other words, the pension for disablement which he draws from the French Government is really a liability of the German Government, which they must under the above reservation make good to the French Government. It could not be argued that as he was disabled while a soldier he does not suffer damage as a civilian after his discharge if he is unfit to do his ordinary work. He does literally suffer as a civilian after his discharge, and his

pension is intended to make good this damage, and is therefore a liability of the German Government. If he had been killed in active service, his wife as a civilian would have been totally deprived of her bread-winner, and would be entitled to compensation. In other words, the pension she would draw from the French Government would really be a liability of the German Government under the above reservation, and would have to be made good by them to the French Government.

The plain commonsense construction of the reservation therefore leads to the conclusion that, while direct war expenditure (such as the pay and equipment of soldiers, the cost of rifles, guns, and ordnance and all similar expenditures) could perhaps not be recovered from the Germans, yet disablement pensions to discharged soldiers, or pensions to widows and orphans, or separation allowances paid to their wives and children during the period of their military service are all items representing compensation to members of the civilian population for damage sustained by them, for which the German Government are liable. What was spent by the Allied Governments on the soldier himself, or on the mechanical appliances of war, might perhaps not be recoverable from the German Government under the reservation, as not being in any plain and direct sense damage to the civilian population. But what was, or is, spent on the citizen before he became a soldier or after he has ceased to be a soldier or at any time on his family, represents compensation for damage done to civilians and must be made good by the German Government under any fair interpretation of the above reservation. This includes all war pensions and separation allowances, which the German Government are liable to make good, in addition to reparation or compensation for all damage done to property of the Allied peoples.

(Signed) J. C. SMUTS.

PARIS, 31st March, 1919.

II

AGREEMENT BETWEEN THE UNITED STATES OF AMERICA, BELGIUM, THE BRITISH EMPIRE, CHINA, CUBA, FRANCE, GREECE, ITALY, JAPAN, NICARAGUA, PANAMA, POLAND, PORTUGAL, ROUMANIA, THE SERB-CROAT-SLOVENE STATE, SIAM AND THE CZECHO-SLOVAK STATE, WITH REGARD TO THE CONTRIBUTIONS TO THE COST OF LIBERATION OF THE TERRITORIES OF THE FORMER AUSTRO-HUNGARIAN MONARCHY ¹

Signed at Saint-Germain-en-Laye, September 10, 1919.

The undersigned, duly authorised by their respective Governments, have agreed on the following provisions :

ARTICLE 1.

Poland, Roumania, the Serb-Croat-Slovene State and the Czecho-Slovak State, as States to which territory of the former Austro-Hun-

¹ Treaty Series (1919), No. 14.

garian Monarchy is transferred or States arising from the dismemberment of that Monarchy, severally agree to pay, as a contribution towards the expenses of liberating the said territories, sums not exceeding in the aggregate the equivalent of 1,500,000,000 fr. gold, the gold franc being taken as of the weight and fineness of gold as enacted by law on January 1, 1914.

ARTICLE 2.

The total amount of the contribution referred to in Article 1 shall be divided between the said States on the basis of the ratio between the average for the three financial years 1911, 1912 and 1918 of the revenues of the territories acquired by them from the former Austro-Hungarian Monarchy, the revenues of the provinces of Bosnia and Herzegovina being excluded from this calculation.

The revenues forming the basis for this calculation shall be those adopted by the Reparation Commission, in accordance with Article 203, Part IX (Financial Clauses) of the Treaty of Peace with Austria, as best calculated to represent the financial capacity of the respective territories. Nevertheless, in no case shall the sum paid by the Czecho-Slovak State exceed the sum of 750,000,000 fr. Should the contribution attributable to the Czecho-Slovak State exceed the sum of 750,000,000 fr., the difference between that sum and the sum of 750,000,000 fr. shall be in diminution of the aggregate sum of 1,500,000,000 fr. and shall not be attributable to the other States.

ARTICLE 3.

The amount due as above by each State for liberation, together with the value of the property and possessions of the former Austro-Hungarian Monarchy transferred to each of them, assessed in accordance with Article 207, Part IX (Financial Clauses) of the Treaty of Peace with Austria, shall be set off against the approved claims, if any, of these States for reparation.

ARTICLE 4.

If in the case of any of the above States the amount due for liberation and the value of property transferred is in excess of the approved reparation claims, that State shall, within three months of the notification to it by the Reparation Commission of the amount, if any, of its approved claims for reparation, issue bonds to the amount of this excess and shall deliver them to such person or body as the Governments of the United States of America, the British Empire, France and Italy may designate.

The above bonds shall be to bearer, principal and interest being payable by the issuing State without deduction for any tax or charge imposed by it or under its authority. The bonds shall bear interest at the rate of 5 per cent. per annum, payable half-yearly, beginning on January 1, 1926. They shall be repaid in twenty-five equal annual drawings, beginning on January 1, 1931. The issuing State, however, may, at its option, redeem all or part of the bonds issued by it at par

and accrued interest at any time, provided ninety days' notice of its intention so to do is given to the Governments of the United States of America, the British Empire, France and Italy.

ARTICLE 5.

In the case of those States whose approved claims for reparation are in excess of the amount due for liberation and the value of property transferred, the amount chargeable to these States in accordance with Article 8 shall be reckoned as payments by way of reparation, and no further payments on account of reparation shall be made to them until the other States to which reparation is due shall have received payments on account of a like proportion of their approved claims for reparation.

Done in French, in English and in Italian, of which in case of divergence the French text shall prevail, at Saint-Germain-en-Laye, the tenth day of September, one thousand nine hundred and nineteen.

FRANK L. POLK.
HENRY WHITE.
TASKER H. BLISS.
HYMANS.
J. VAN DEN HEUVEL.
E. VANDERVELDE.
ARTHUR JAMES BALFOUR.
MILNER.
GEO. N. BARNES.
A. E. KEMP.
G. F. PEARCE.
MILNER.
THOS. MACKENZIE.
SINHA OF RAIPUR.

S. CHINDA.
K. MATSUI.
H. IJUIN.
SALVADOR CHAMORRO.
ANTONIO BURGOS.

CHAROON.
TRAIDOS PRABANDHU.

J. R. LOUTSENGTSIANG.
CHENGTING THOMAS WANG.
ANTONIO S. DE BUSTAMANTE.
G. CLEMENCEAU.
S. PICHON.
L. L. KLOTZ.
ANDRÉ TARDIEU.
JULES CAMBON.
N. POLITIS.
A. ROMANOS.
TOM. TITTONI.
VITTORIO SCIALOJA.
MAGGIORINO FERRARIS.
GUGLIELMO MARCONI.

I. J. PADEREWSKI.
ROMAN DMOWSKI.
AFFONSO COSTA.
AUGUSTO SOARES.

D. KAREL KRAMAR.
DR. EDUARD BENES.

III

AGREEMENT BETWEEN THE UNITED STATES OF AMERICA, BELGIUM, THE BRITISH EMPIRE, CHINA, CUBA, FRANCE, GREECE, ITALY, JAPAN, NICARAGUA, PANAMA, POLAND, PORTUGAL, ROUMANIA, THE SERB-CROAT-SLOVENE STATE, SIAM AND THE CZECHO-SLOVAK STATE, WITH REGARD TO THE ITALIAN REPARATION PAYMENTS ¹

Signed at Saint-Germain-en-Laye, September 10, 1919.

The Undersigned, duly authorised by their respective Governments, have taken note of the declaration made by Italy in Article 1 of the present Agreement, and have agreed on the subsequent provisions :

ARTICLE 1.

Italy declares that she has made the great sacrifices and borne the heaviest financial burdens in the war waged for the liberation of Italian territory remaining subject to the former Austro-Hungarian Monarchy, and for the other lofty aims of the Allied and Associated Powers ;

That, in addition, the territories ceded to Italy have sacrificed, as a result of the Treaty of Peace with Austria, a large proportion of their wealth, and that they have already contributed in other ways to the reparation of the damage caused by the war in which they have so cruelly suffered ;

That, nevertheless, with the object of facilitating an agreement between the States arising from the dismemberment of Austria-Hungary, or acquiring territories of the former Monarchy, as to the contribution to be made by them towards the cost of liberating the territories of the former Austro-Hungarian Monarchy and of reparation, Italy agrees to contribute to these expenses in the manner provided in the present Agreement.

ARTICLE 2.

Italy, as a State acquiring territory formerly part of the Austro-Hungarian Monarchy, agrees, on account of such acquisition, to be debited against her approved claims for reparation under the Treaties of Peace concluded with Germany, Austria, and the Powers which fought upon their side, with a sum in gold francs (the gold franc being taken as of the weight and fineness of gold as enacted by law on January 1, 1914) to be calculated as set out in Article 3 below.

ARTICLE 3.

The ratio between the sum to be debited to Italy in accordance with Article 2 and the sum of 1,500,000,000 fr. gold (or between such sum and the total amount of the contributions to be made by Poland, Roumania, the Serb-Croat-Slovene State and the Czecho-Slovak State, if this amount is less than 1,500,000,000 fr. gold, as provided in the Agreement of even date between the same High Contracting Parties)

¹ Treaty Series (1919), No. 15.

shall be the same as the ratio between the average revenues for the three financial years 1911, 1912, 1913 of the territory transferred to Italy and the average revenues for the same years of the whole of the territories of the former Austro-Hungarian Monarchy transferred, whether to Italy or to the other Powers mentioned above, under the Treaties of Peace with Austria and Hungary. It is understood, however, that the revenues of the provinces of Bosnia and Herzegovina shall be excluded from this calculation.

The revenues serving as the basis of this calculation shall be those accepted by the Reparation Commission, in accordance with the provisions of Article 203, Part IX (Financial Clauses) of the Treaty of Peace with Austria, as best representing the financial capacity of the respective territories.

ARTICLE 4.

The sum so calculated, together with the value of the property and possessions of the former Austro-Hungarian Monarchy transferred to Italy, assessed in accordance with Article 207, Part IX (Financial Clauses) of the Treaty of Peace with Austria, shall be set off against the approved claims of Italy for reparation. The total of these two sums shall be reckoned as payments by way of reparation, and no further payments shall be made to Italy on account of reparation until the other States to which reparation is due shall have received payments on account of a like proportion of their approved claims for reparation.

Done in French, in English, and in Italian, of which in case of divergence the French text shall prevail, at Saint-Germain-en-Laye, the tenth day of September, 1919, one thousand nine hundred and nineteen.

FRANK L. POLK.
HENRY WHITE.
TASKER H. BLISS.
HYMANS.
J. VAN DEN HEUVEL.
E. VANDERVELDE.
ARTHUR JAMES BALFOUR.
MILNER.
GEO. N. BARNES.
A. E. KEMP.
G. F. PEARCE.
MILNER.
THOS. MACKENZIE.
SINHA OF RAIPUR.

S. CHINDA.
K. MATSUI. .
H. LUIN.
SALVADOR CHAMORRO.

CHAROON.
TRAIDOS PRABANDHU.

J. R. LOUTSENGTSIANG.
CHENGTING THOMAS WANG.
ANTONIO S. DE BUSTAMANTE.
G. CLEMENCEAU.
S. PICHON.
L. L. KLOTZ.
ANDRÉ TARDIEU.
JULES CAMBON.
N. POLITIS.
A. ROMANOS.
TOM. TITTONI.
VITTORIO SCIALOJA.
MAGGIORINO FERRARIS.
GUGLIELMO MARCONI.

ANTONIO BURGOS.
I. J. PADEREWSKI.
ROMAN DMOWSKI.
AFFONSO COSTA.

D. KAREL KRAMAR.
DR. EDUARD BENES.

IV

DECLARATION MODIFYING THE AGREEMENT OF SEPTEMBER 10, 1919, BETWEEN THE ALLIED AND ASSOCIATED POWERS WITH REGARD TO THE CONTRIBUTIONS TO THE COST OF LIBERATION OF THE TERRITORIES OF THE FORMER AUSTRO-HUNGARIAN MONARCHY¹

Signed in Paris, December 8, 1919.

The United States of America, Belgium, the British Empire, China, Cuba, France, Greece, Italy, Japan, Nicaragua, Panama, Poland, Portugal, Siam and the Czecho-Slovak State, Powers who have signed the Agreement concluded on September 10, 1919, at Saint-Germain-en-Laye, with regard to the contributions to the cost of liberation of the territories of the former Austro-Hungarian Monarchy, and the Serb-Croat-Slovene State, which by an Act dated December 5, 1919, has acceded to the said Agreement subject to the modifications which are the subject of the present Declaration,

Have agreed to modify the Agreement referred to above as follows :
Articles 4 and 5 are replaced by the following provisions :

ARTICLE 4.

Each of the said States shall, within three months after being requested by the Reparation Commission so to do, issue bonds to the amount of the sum due by such State for liberation and the value of property transferred, and shall deliver them to such person or body as the Governments of the United States of America, the British Empire, France and Italy may designate.

The above bonds shall be to bearer, principal and interest being payable by the issuing State without deduction for any tax or charge imposed by it or under its authority. The bonds shall bear interest at the rate of 5 per cent. per annum payable half yearly, beginning on January 1, 1926. They shall be repaid in twenty-five equal annual drawings, beginning on January 1, 1931. The issuing State, however, may, at its option, redeem all or part of the bonds issued by it at par and accrued interest at any time, provided ninety days' notice of its intention so to do is given to the Governments of the United States of America, the British Empire, France and Italy.

As and when payments on such bonds fall due, the Reparation Commission shall retain, against the sums due to each of² States concerned for reparation, the sums required for interest and amortization.

Plenipotentiaries who in consequence of their temporary absence from Paris have not signed the present Declaration may do so up to December 20, 1919.

¹ Treaty Series (1920), No. 7.

² The word ' the ' is evidently omitted.

Made in French, in English and in Italian, of which in case of divergence the French text shall prevail, at Paris, the eighth day of December one thousand nine hundred and nineteen.

FRANK L. POLK.
ROLIN-JAEQUEMYS.
EYRE A. CROWE.
GEORGE H. PERLEY.
ANDREW FISHER.
THOMAS MACKENZIE.
R. A. BLANKENBERG.
VIKYUIN WELLINGTON KOO.
RAFAEL MARTINEZ ORTIZ.

G. CLEMENCEAU.
S. PICHON.
L. L. KLOTZ.
ANDRÉ TARDIEU.
JULES CAMBON.
A. ROMANOS.
G. DE MARTINO.
K. MATSUI.

R. A. AMADOR.

AFFONSO COSTA.

NIK. P. PACHITCH.
DR. ANTE TRUMBIC.

CHAROON.

DR. IVAN ZOLGER.

DECLARATION MODIFYING THE ¹AGREEMENT OF SEPTEMBER 10, 1919, BETWEEN THE ALLIED AND ASSOCIATED POWERS WITH REGARD TO THE ITALIAN REPARATION PAYMENTS ²

Signed in Paris, December 8, 1919.

The United States of America, Belgium, the British Empire, China, Cuba, France, Greece, Italy, Japan, Nicaragua, Panama, Poland, Portugal, Siam and the Czecho-Slovak State, Powers who have signed the Agreement concluded on September 10, 1919, at Saint-Germain-en-Laye with regard to the Italian reparation payments, and the Serb-Croat-Slovene State, which by an Act dated December 5, 1919, has acceded to the said Agreement subject to the modifications which are the subject of the present Declaration,

Have agreed to modify the Agreement referred to above as follows :
Article 4 is replaced by the following provision :

ARTICLE 4.

The sum so calculated, together with the value of the property and possessions of the former Austro-Hungarian Monarchy transferred to Italy, assessed in accordance with Article 208, Part IX (Financial

¹ For the text of this Agreement see Treaty Series 1919, No. 15, *supra* p. 377.

² Treaty Series (1920), No. 9, Cmd. 639.

Clauses) of the Treaty of Peace with Austria, shall be set off against the approved claims of Italy for reparation.

Italy shall, within three months after being requested by the Reparation Commission so to do, issue bonds to the amount of these two sums, and shall deliver them to such person or body as the Governments of the United States of America, the British Empire, France and Italy may designate.

The above bonds shall be to bearer, principal and interest being payable by Italy without deduction for any tax or charge imposed by her or under her authority. The bonds shall bear interest at the rate of 5 per cent. per annum payable half yearly, beginning on January 1, 1926. They shall be repaid in twenty-five equal annual drawings, beginning on January 1, 1931. Italy may, however, at her option, redeem all or part of the bonds issued by her at par and accrued interest at any time, provided ninety days' notice of her intention so to do is given to the Governments of the United States of America, the British Empire and France.

As and when payments on such bonds fall due, the Reparation Commission shall retain, against the sums due to Italy for reparation, the sums required for interest and amortization.

Plenipotentiaries who in consequence of their temporary absence from Paris have not signed the present Declaration may do so up to December 20, 1919.

Made in French, in English, and in Italian, of which in case of divergence the French text shall prevail, at Paris, the eighth day of December one thousand nine hundred and nineteen.

FRANK L. POLK.
ROLIN-JAEQUEMYNS.
EYRE A. CROWE.
GEORGE H. PERLEY.
ANDREW FISHER.
THOMAS MACKENZIE.
R. A. BLANKENBERG.
EYRE A. CROWE.
VIKYUIN WELLINGTON KOO.

RAFAEL MARTINEZ ORTIZ.
G. CLEMENCEAU.
S. PICHON.
L. L. KLOTZ.
ANDRÉ TARDIEU.
JULES CAMBON.
A. ROMANOS.
G. DE MARTINO.
K. MATSUI.

R. A. AMADOR.

AFFONSO COSTA.

NIK. P. PACHITCH.
DR. ANTE TRUMBIC.

CHAROON.

DR. IVAN ZOLGER.

VI

DECLARATION OF ACCESSION BY THE SERB-CROAT-SLOVENE STATE TO THE TREATY OF PEACE WITH AUSTRIA, THE TREATY BETWEEN THE PRINCIPAL ALLIED AND ASSOCIATED POWERS AND THE SERB-CROAT-SLOVENE STATE, AND THE AGREEMENTS WITH REGARD TO THE ITALIAN REPARATION PAYMENTS AND THE CONTRIBUTIONS TO THE COST OF LIBERATION OF THE TERRITORIES OF THE FORMER AUSTRO-HUNGARIAN EMPIRE¹

Signed in Paris, December 5, 1919.

(Translation.)

Les Soussignés, Délégués plénipotentiaires de Sa Majesté le Roi des Serbes-Croates-Slovènes, agissant en vertu de leurs pleins pouvoirs dûment reconnus bons et valables, déclarent que Sa Majesté le Roi des Serbes-Croates-Slovènes accède, au nom de l'État Serbe-Croate-Slovène, sans aucune condition ni réserve :

1° Aux Traités de Paix, Protocole et Déclaration, signés à Saint-Germain-en-Laye, le 10 septembre 1919, par les États-Unis d'Amérique, l'Empire Britannique, la France, l'Italie, le Japon, Principales Puissances alliées et associées, la Belgique, la Chine, Cuba, la Grèce, le Nicaragua, le Panama, la Pologne, le Portugal, le Siam et la Tchéco-Slovaquie, Puissances alliées et associées, d'une part ; et l'Autriche, d'autre part ;

2° Au Traité entre les Principales Puissances alliées et associées et l'État Serbe-Croate-Slovène, signé à Saint-Germain-en-Laye, le 10 septembre 1919, par les États-Unis d'Amérique, l'Empire Britannique, la France, l'Italie et le Japon ;

The Undersigned, Plenipotentiaries of His Majesty the King of the Serbs, Croats and Slovenes, acting in virtue of their full powers duly recognised as good and valid, declare that His Majesty the King of the Serbs, Croats and Slovenes accedes in the name of the Serb-Croat-Slovene State, without any condition or reservation :

1. To the ²Treaty of Peace, Protocol and Declaration signed at Saint-Germain-en-Laye, the 10th September, 1919, by the United States of America, the British Empire, France, Italy, Japan, Principal Allied and Associated Powers, Belgium, China, Cuba, Greece, Nicaragua, Panama, Poland, Portugal, Siam and Czecho-Slovakia, Allied and Associated Powers, of the one part ; and Austria, of the other part ;

2. To the ³Treaty between the Principal Allied and Associated Powers and the Serb-Croat-Slovene State, signed at Saint-Germain-en-Laye, the 10th September, 1919, by the United States of America, the British Empire, France, Italy and Japan ;

¹ Treaty Series (1920), No. 8.

² Treaty Series (1919), No. 11, *supra* p. 177.

³ Treaty Series (1919), No. 17, *infra* p. 446.

3° A l'Arrangement relatif au compte des réparations en ce qui concerne l'Italie, signé à Saint-Germain-en-Laye, le 10 septembre 1919, par les États-Unis d'Amérique, la Belgique, l'Empire Britannique, la Chine, Cuba, la France, la Grèce, l'Italie, le Japon, le Nicaragua, le Panama, la Pologne, le Portugal, le Siam et l'État Tchéco-Slovaque; sous réserve des modifications qui, agréées, à la date de ce jour, par les États-Unis d'Amérique, l'Empire Britannique, la France, l'Italie et le Japon, feront l'objet d'une déclaration spéciale;

4° A l'Arrangement concernant la contribution aux dépenses de libération des territoires de l'ancienne monarchie austro-hongroise, signé à Saint-Germain-en-Laye, le 10 septembre 1919, par les États-Unis d'Amérique, la Belgique, l'Empire Britannique, la Chine, Cuba, la France, la Grèce, l'Italie, le Japon, le Nicaragua, le Panama, la Pologne, le Portugal, le Siam et l'État Tchéco-Slovaque; sous réserve des modifications qui, agréées, à la date de ce jour, par les États-Unis d'Amérique, l'Empire Britannique, la France, l'Italie et le Japon, feront l'objet d'une déclaration spéciale.

En foi de quoi les soussignés ont signé la présente Déclaration d'accession et y ont apposé leurs cachets.

Fait à Paris, le cinq décembre mil neuf cent dix-neuf.

(L.S.) NIK. P. PACHITCH.
(L.S.) DR. ANTE TRUMBIC.
(L.S.) DR. IVAN ZOLGER.

3. To the ¹ Agreement with regard to the Italian reparation payments signed at Saint-Germain-en-Laye, the 10th September, 1919, by the United States of America, Belgium, the British Empire, China, Cuba, France, Greece, Italy, Japan, Nicaragua, Panama, Poland, Portugal, Siam and the Czecho-Slovak State; subject to the modifications which, accepted on this date by the United States of America, the British Empire, France, Italy and Japan, will form the subject of a special declaration;

4. To the ² Agreement with regard to the contributions to the cost of liberation of the territories of the former Austro-Hungarian Monarchy, signed at Saint-Germain-en-Laye, the 10th September, 1919, by the United States of America, Belgium, the British Empire, China, Cuba, France, Greece, Italy, Japan, Nicaragua, Panama, Poland, Portugal, Siam and the Czecho-Slovak State, subject to the modifications which, accepted on this day by the United States of America, the British Empire, France, Italy and Japan, will form the subject of a special declaration.

In faith whereof the undersigned have signed the present Declaration and have affixed thereto their seals.

Done at Paris, the fifth day of December one thousand nine hundred and nineteen.

(L.S.) NIK. P. PACHITCH.
(L.S.) DR. ANTE TRUMBIC.
(L.S.) DR. IVAN ZOLGER.

¹ Treaty Series (1919), No. 15, *supra* p. 377.

² Treaty Series (1919), No. 14, *supra* p. 374.

APPENDIX III

YUGO-SLAV DOCUMENTS

I

AGREEMENT BETWEEN FRANCE, RUSSIA, GREAT BRITAIN
AND ITALY ¹*Signed in London, April 26, 1915.*

D'ORDRE de son Gouvernement, le Marquis Impériali, Ambassadeur de Sa Majesté le Roi d'Italie, a l'honneur de communiquer au Très Honorable Sir Edward Grey, Principal Secrétaire d'État de Sa Majesté britannique pour les Affaires Étrangères, et à leurs Excellences M. Paul Cambon, Ambassadeur de la République française, et M. le Comte de Benckendorff, Ambassadeur de Sa Majesté l'Empereur de Toutes les Russies, le mémorandum suivant :

Mémorandum.**ARTICLE 1^{er}.**

Une convention militaire sera immédiatement conclue entre les états-majors généraux de la France, de la Grande-Bretagne, de l'Italie et de la Russie ; cette convention fixera le minimum des forces militaires que la Russie devra employer contre l'Autriche-Hongrie afin d'empêcher cette Puissance de concentrer tous ses efforts contre l'Italie, dans le cas où la Russie déciderait de porter son principal effort contre l'Allemagne.

La convention militaire réglera la question des armistices, qui relève essentiellement du commandement en chef des armées.

By Order of his Government the Marquis Imperiali, Ambassador of His Majesty the King of Italy, has the honour to communicate to the Rt. Hon. Sir Edward Grey, His Britannic Majesty's Principal Secretary of State for Foreign Affairs, and to their Excellencies M. Paul Cambon, Ambassador of the French Republic, and to Count de Benckendorff, Ambassador of His Majesty the Emperor of All the Russias, the following memorandum :

Memorandum.**ARTICLE 1.**

A military convention shall be immediately concluded between the General Staffs of France, Great Britain, Italy and Russia. This convention shall settle the minimum number of military forces to be employed by Russia against Austria-Hungary in order to prevent that Power from concentrating all its strength against Italy, in the event of Russia deciding to direct her principal effort against Germany.

This military convention shall settle question of armistices, which necessarily comes within the scope of the Commanders-in-chief of the Armies.

ARTICLE 2.

De son côté, l'Italie s'engage à employer la totalité de ses ressources à poursuivre la guerre en commun avec la France, la Grande-Bretagne et la Russie contre tous leurs ennemis.

ARTICLE 3.

Les flottes de la France et de la Grande-Bretagne donneront leur concours actif et permanent à l'Italie jusqu'à la destruction de la flotte austro-hongroise ou jusqu'à la conclusion de la paix.

Une convention navale sera immédiatement conclue à cet effet entre la France, la Grande-Bretagne et l'Italie.

ARTICLE 4.

Dans le traité de paix, l'Italie obtiendra le Trentin, le Tyrol cisalpin avec sa frontière géographique et naturelle (la frontière du Brenner), ainsi que Trieste, les comtés de Gorizia et de Gradisca, toute l'Istrie jusqu'au Quarnero et y compris Volosca et les îles istriennes de Cherso, Lussin, de même que les petites îles de Plavnik, Unie, Canidole, Palazzuoli, San Pietro di Nembi, Asinello, Gruica, et les flots voisins.

Note.

La frontière nécessaire pour assurer l'exécution de l'article 4 sera tracée comme suit :

Du Piz Umbrail jusqu'au nord du Stelvio, elle suivra la crête des Alpes rhétiennes jusqu'aux sources de l'Adige et de l'Eisach, passant alors sur les monts Reschen et Brenner et sur les hauteurs de l'Oetz et du Ziller. La frontière ensuite se dirigera vers le sud,

ARTICLE 2.

On her part, Italy undertakes to use her entire resources for the purpose of waging war jointly with France, Great Britain and Russia against all their enemies.

ARTICLE 3.

The French and British fleets shall render active and permanent assistance to Italy until such time as the Austro-Hungarian fleet shall have been destroyed or until peace shall have been concluded.

A naval convention shall be immediately concluded to this effect between France, Great Britain and Italy.

ARTICLE 4.

Under the Treaty of Peace, Italy shall obtain the Trentino, Cisalpine Tyrol with its geographical and natural frontier (the Brenner frontier), as well as Trieste, the counties of Gorizia and Gradisca, all Istria as far as the Quarnero and including Volosca and the Istrian islands of Cherso and Lussin, as well as the small islands of Plavnik, Unie, Canidole, Palazzuoli, San Pietro di Nembi, Asinello, Gruica, and the neighbouring islets.

Note.

The frontier required to ensure execution of Article 4 hereof shall be traced as follows :

From the Piz Umbrail as far as north of the Stelvio, it shall follow the crest of the Rhetian Alps up to the sources of the Adige and the Eisach, then following the Reschen and Brenner mountains and the Oetz and Ziller heights. The frontier shall then bend

Adriatique (dans la région intéressant la Serbie et le Monténégro), toute la côte du cap Planka jusqu'à la rivière Drin, avec les ports importants de Spalato, Raguse, Cattaro, Antivari, Dulcigno et Saint-Jean de Medua et les îles de Zirona Grande, Zirona Piccola, Bua, Solta, Brazza, Jaclian et Calamotta. Le port de Durazzo resterait attribué à l'État indépendant musulman d'Albanie.

ARTICLE 6.

L'Italie recevra l'entière souveraineté sur Vallona, l'île de Sasseno et un territoire suffisamment étendu pour assurer la défense de ces points (depuis Voïussa au nord et à l'est, approximativement jusqu'à la frontière septentrionale du district de Chimaru au sud).

ARTICLE 7.

Si l'Italie obtient le Trentin et l'Istrie conformément aux termes de l'article 4, la Dalmatie et les îles de l'Adriatique dans les limites indiquées dans l'article 5, et la baie de Vallona (article 6), et si la partie centrale de l'Albanie est réservée pour la constitution d'un petit État autonome neutralisé, elle ne s'opposera pas à ce que les parties septentrionale et méridionale de l'Albanie soient, si tel est le désir de la France, de la Grande-Bretagne et de la Russie, partagées entre le Monténégro, la Serbie et la Grèce. La côte à partir de la frontière méridionale de la possession italienne de Vallona (voyez l'article 6) jusqu'au cap Stylos sera neutralisée.

L'Italie sera chargée de représenter l'État d'Albanie dans ses relations avec l'étranger.

Lower Adriatic (in the region affecting Serbia and Montenegro) the whole coast from Cape Planka as far as the River Drin, with the important harbours of Spalato, Ragusa, Cattaro, Antivari, Dulcigno and St. Jean de Medua and the islands of Greater and Lesser Zirona, Bua, Solta, Brazza, Jaclian and Calamotta. The port of Durazzo to be assigned to the independent Moslem State of Albania.

ARTICLE 6.

Italy shall receive full sovereignty over Valona, the island of Saseno and surrounding territory of sufficient extent to assure defence of these points (from the Voïussa to the north and east, approximately to the northern boundary of the district of Chimara on the south).

ARTICLE 7.

Should Italy obtain the Trentino and Istria in accordance with the provisions of Article 4, together with Dalmatia and the Adriatic islands within the limits specified in Article 5, and the Bay of Valona (Article 6), and if the central portion of Albania is reserved for the establishment of a small autonomous neutralised State, Italy shall not oppose the division of Northern and Southern Albania between Montenegro, Serbia and Greece, should France, Great Britain and Russia so desire. The coast from the southern boundary of the Italian territory of Valona (see Article 6) up to Cape Stylos shall be neutralised.

Italy shall be charged with the representation of the State of Albania in its relations with foreign Powers.

L'Italie accepte, d'autre part, de laisser dans tous les cas à l'est de l'Albanie un territoire suffisant pour assurer l'existence d'une frontière commune à la Grèce et à la Serbie à l'ouest du lac d'Ochrida.

ARTICLE 8.

L'Italie recevra l'entière souveraineté sur les îles du Dodécanèse qu'elle occupe actuellement.

ARTICLE 9.

D'une manière générale, la France, la Grande-Bretagne et la Russie reconnaissent que l'Italie est intéressée au maintien de l'équilibre dans la Méditerranée et qu'elle devra, en cas de partage total ou partiel de la Turquie d'Asie, obtenir une part équitable dans la région méditerranéenne avoisinant la province d'Adalia où l'Italie a déjà acquis des droits et des intérêts qui ont fait l'objet d'une convention italo-britannique. La zone qui sera éventuellement attribuée à l'Italie sera délimitée, le moment venu, en tenant compte des intérêts existants de la France et de la Grande-Bretagne.

Les intérêts de l'Italie seront également pris en considération dans le cas où l'intégrité territoriale de l'Empire ottoman serait maintenue et où des modifications seraient faites aux zones d'intérêt des Puissances.

Si la France, la Grande-Bretagne et la Russie occupent des territoires de la Turquie d'Asie pendant la durée de la guerre, la région méditerranéenne avoisinant la province d'Adalia dans les limites indiquées ci-dessus sera réservée à l'Italie, qui aura le droit de l'occuper.

Italy agrees, moreover, to leave sufficient territory in any event to the east of Albania to ensure the existence of a frontier line between Greece and Serbia to the west of Lake Ochrida.

ARTICLE 8.

Italy shall receive entire sovereignty over the Dodecanese Islands which she is at present occupying.

ARTICLE 9.

Generally speaking, France, Great Britain and Russia recognise that Italy is interested in the maintenance of the balance of power in the Mediterranean and that, in the event of the total or partial partition of Turkey in Asia, she ought to obtain a just share of the Mediterranean region adjacent to the province of Adalia, where Italy has already acquired rights and interests which formed the subject of an Italo-British convention. The zone which shall eventually be allotted to Italy shall be delimited, at the proper time, due account being taken of the existing interests of France and Great Britain.

The interests of Italy shall also be taken into consideration in the event of the territorial integrity of the Turkish Empire being maintained and of alterations being made in the zones of interest of the Powers.

If France, Great Britain and Russia occupy any territories in Turkey in Asia during the course of the war, the Mediterranean region bordering on the Province of Adalia within the limits indicated above shall be reserved to Italy, who shall be entitled to occupy it.

ARTICLE 10.

L'Italie sera substituée en Lybie aux droits et privilèges appartenant actuellement au Sultan en vertu du Traité de Lausanne.

ARTICLE 11.

L'Italie recevra une part correspondant à ses efforts et à ses sacrifices dans l'indemnité de guerre éventuelle.

ARTICLE 12.

L'Italie déclare s'associer à la déclaration faite par la France, la Grande-Bretagne et la Russie à l'effet de laisser l'Arabie et les lieux saints musulmans en Arabie sous l'autorité d'un pouvoir musulman indépendant.

ARTICLE 13.

Dans le cas où la France et la Grande-Bretagne augmenteraient leurs domaines coloniaux d'Afrique aux dépens de l'Allemagne, ces deux Puissances reconnaissent en principe que l'Italie pourrait réclamer quelques compensations équitables, notamment dans le règlement en sa faveur des questions concernant les frontières des colonies italiennes de l'Érythrée, de la Somalie et de la Lybie, et des colonies voisines de la France et de la Grande-Bretagne.

ARTICLE 14.

La Grande-Bretagne s'engage à faciliter la conclusion immédiate, dans des conditions équitables, d'un emprunt d'au moins £50,000,000 à émettre sur le marché de Londres.

ARTICLE 15.

La France, la Grande-Bretagne et la Russie appuieront l'opposition que l'Italie formera à toute

ARTICLE 10.

All rights and privileges in Libya at present belonging to the Sultan by virtue of the Treaty of Lausanne are transferred to Italy.

ARTICLE 11.

Italy shall receive a share of any eventual war indemnity corresponding to her efforts and her sacrifices.

ARTICLE 12.

Italy declares that she associates herself in the declaration made by France, Great Britain and Russia to the effect that Arabia and the Moslem Holy Places in Arabia shall be left under the authority of an independent Moslem Power.

ARTICLE 13.

In the event of France and Great Britain increasing their colonial territories in Africa at the expense of Germany, those two Powers agree in principle that Italy may claim some equitable compensation, particularly as regards the settlement in her favour of the questions relative to the frontiers of the Italian colonies of Eritrea, Somaliland and Libya and the neighbouring colonies belonging to France and Great Britain.

ARTICLE 14.

Great Britain undertakes to facilitate the immediate conclusion, under equitable conditions, of a loan of at least 50,000,000*l.* to be issued on the London market.

ARTICLE 15.

France, Great Britain and Russia shall support such opposition as Italy may make to any

proposition tendant à introduire un représentant du Saint-Siège dans toutes les négociations pour la paix et pour le règlement des questions soulevées par la présente guerre.

ARTICLE 16.

Le présent arrangement sera tenu secret. L'adhésion de l'Italie à la déclaration du 5 septembre 1914 sera seule rendue publique aussitôt après la déclaration de guerre par ou contre l'Italie.

Après avoir pris acte du mémorandum ci-dessus, les représentants de la France, de la Grande-Bretagne et de la Russie, dûment autorisés à cet effet, ont conclu avec le représentant de l'Italie, également autorisé par son Gouvernement, l'accord suivant :

La France, la Grande-Bretagne et la Russie, donnent leur plein assentiment au mémorandum présenté par le Gouvernement italien.

Se référant aux articles 1^{er}, 2 et 3 du mémorandum, qui prévoient la coopération militaire et navale des quatre Puissances, l'Italie déclare qu'elle entrera en campagne le plus tôt possible et dans un délai qui ne pourra excéder un mois à partir de la signature des présentes.

En foi de quoi les soussignés ont signé le présent accord et y ont apposé leurs cachets.

Fait à Londres, en quadruple original, le 26 avril 1915.

(L.S.) E. GREY.
(L.S.) IMPERIALI.
(L.S.) BENCKENDORFF.
(L.S.) PAUL CAMBON.

proposal in the direction of introducing a representative of the Holy See in any peace negotiations or negotiations for the settlement of questions raised by the present war.

ARTICLE 16.

The present arrangement shall be held secret. The adherence of Italy to the Declaration of the 5th September, 1914, shall alone be made public, immediately upon declaration of war by or against Italy.

After having taken act of the foregoing memorandum, the representatives of France, Great Britain and Russia, duly authorised to that effect, have concluded the following agreement with the representative of Italy, also duly authorised by his Government :

France, Great Britain and Russia give their full assent to the memorandum presented by the Italian Government.

With reference to Articles 1, 2 and 3 of the memorandum, which provide for military and naval co-operation between the four Powers, Italy declares that she will take the field at the earliest possible date and within a period not exceeding one month from the signature of these presents.

In faith whereof the undersigned have signed the present agreement and have affixed thereto their seals.

Done at London, in quadruplicate, the 26th day of April, 1915.

(L.S.) E. GREY.
(L.S.) IMPERIALI.
(L.S.) BENCKENDORFF.
(L.S.) PAUL CAMBON.

II

Déclaration par laquelle la France, la Grande-Bretagne, l'Italie et la Russie s'engagent à ne pas conclure de paix séparée au cours de la présente Guerre européenne.

Le Gouvernement italien ayant décidé de participer à la présente guerre avec les Gouvernements français, britannique et russe, et d'adhérer à la déclaration faite à Londres le 5 septembre 1914 par les trois Gouvernements précités,

Les soussignés, dûment autorisés par leurs Gouvernements respectifs, font la déclaration suivante :

Les Gouvernements français, britannique, italien et russe s'engagent mutuellement à ne pas conclure de paix séparée au cours de la présente guerre.

Les quatre Gouvernements conviennent que, lorsqu'il y aura lieu de discuter les termes de la paix, aucune des Puissances alliées ne pourra poser des conditions de paix sans accord préalable avec chacun des autres Alliés.

En foi de quoi les soussignés ont signé la présente déclaration et y ont apposé leurs cachets.

Fait à Londres, en quadruple original, le 26 avril 1915.

(L.S.) E. GREY.
(L.S.) IMPERIALI.
(L.S.) BENCKENDORFF.
(L.S.) PAUL CAMBON.

III

Déclaration

La Déclaration du 26 avril 1915, par laquelle la France, la Grande-Bretagne, l'Italie et la

II

Declaration by which France, Great Britain, Italy and Russia undertake not to conclude a Separate Peace during the course of the Present European War.

The Italian Government, having decided to participate in the present war with the French, British and Russian Governments and to accede to the Declaration made at London, the 5th September, 1914, by the three above-named Governments,

The undersigned, being duly authorised by their respective Governments, make the following declaration :

The French, British, Italian and Russian Governments mutually undertake not to conclude a separate peace during the course of the present war.

The four Governments agree that, whenever there may be occasion to discuss the terms of peace, none of the Allied Powers shall lay down any conditions of peace without previous agreement with each of the other Allies.

In faith whereof the undersigned have signed the present Declaration and have affixed thereto their seals.

Done at London, in quadruplicate, the 26th day of April, 1915.

(L.S.) E. GREY.
(L.S.) IMPERIALI.
(L.S.) BENCKENDORFF.
(L.S.) PAUL CAMBON.

III

Declaration

The Declaration of the 26th April, 1915, whereby France, Great Britain, Italy and Russia

Russie s'engagent à ne pas conclure de paix séparée au cours de la présente guerre européenne, restera secrète.

Après la déclaration de guerre par ou contre l'Italie, les quatre Puissances signeront une nouvelle déclaration identique, qui sera rendue publique à ce moment.

En foi de quoi les soussignés ont signé la présente déclaration et y ont apposé leurs cachets.

Fait à Londres, en quadruple original, le 26 avril 1915.

(L.S.) E. GREY.
(L.S.) IMPERIALI.
(L.S.) BENCKENDORFF.
(L.S.) PAUL CAMBON.

undertake not to conclude a separate peace during the present European war, shall remain secret.

After the declaration of war by or against Italy, the four Powers shall sign a new declaration in identical terms, which shall thereupon be made public.

In faith whereof the undersigned have executed the present Declaration and have affixed thereto their seals.

Done at London, in quadruplicate, the 26th day of April, 1915.

(L.S.) E. GREY.
(L.S.) IMPERIALI.
(L.S.) BENCKENDORFF.
(L.S.) PAUL CAMBON.

II

THE MANIFESTO (PACT) OF CORFU¹

At the conference of the members of the late (Serbian) Coalition Cabinet and those of the present Cabinet, and also the representatives of the Jugo-Slav Committee in London, all of whom have hitherto been working on parallel lines, views have been exchanged in collaboration with the president of the Skupstina, on all questions concerning the life of the Serbs, Croats, and Slovenes in their joint future State.

We are happy in being able once more on this occasion to point to the complete unanimity of all parties concerned.

In the first place, the representatives of the Serbs, Croats, and Slovenes declare anew and most categorically that our people constitutes but one nation, and that it is one in blood, one by the spoken and written language, by the continuity and unity of the territory in which it lives, and finally in virtue of the common and vital interests of its national existence and the general development of its moral and material life.

The idea of its national unity has never suffered extinction, although all the intellectual forces of its enemy were directed against its unification, its liberty and its national existence. Divided between several States our nation is in Austria-Hungary alone split up into eleven provincial administrations, coming under thirteen legislative bodies. The feeling of national unity, together with the spirit of liberty and independence, have supported it in the never-ending struggles of centuries against the Turks in the East and against the Germans and the Magyars in the West.

¹ *The Jugo-Slav Movement* by R. J. Kerner, pp. 100-5.

Being numerically inferior to its enemies in the East and West, it was impossible for it to safeguard its unity as a nation and a State, its liberty and its independence against the brutal maxim of 'might goes before right' militating against it both East and West.

But the moment has come when our people is no longer isolated. The war imposed by German militarism upon Russia, upon France and upon England for the defence of their honour as well as for the liberty and independence of small nations, has developed into a struggle for the Liberty of the World and the Triumph of Right over Might. All nations which love liberty and independence have allied themselves together for their common defence, to save civilization and liberty at the cost of every sacrifice, to establish a new international order based upon justice and upon the right of every nation to dispose of itself and so organize its independent life; finally to establish a durable peace consecrated to the progress and development of humanity and to secure the world against a catastrophe similar to that which the conquering lust of German Imperialism has provoked.

To noble France, who has proclaimed the liberty of nations, and to England, the hearth of liberty, the Great American Republic and the new, free and democratic Russia have joined themselves in proclaiming as their principal war aim the triumph of liberty and democracy and as basis of the new international order the right of free self-determination for every nation.

Our nation of the three names, which has been the greatest sufferer under brute force and injustice and which has made the greatest sacrifices to preserve its right of self-determination, has with enthusiasm accepted this sublime principle put forward as the chief aim of this atrocious war, provoked by the violation of this very principle.

The authorized representatives of the Serbs, Croats, and Slovenes, in declaring that it is the desire of our people to free itself from every foreign yoke and to constitute itself a free, national and independent State, a desire based on the principle that every nation has the right to decide its own destiny, are agreed in judging that this State should be founded on the following modern and democratic principles :

(1) The State of the Serbs, Croats, and Slovenes, who are also known as the Southern Slavs or Jugo-Slavs, will be a free and independent kingdom, with indivisible territory and unity of allegiance. It will be a constitutional, democratic and parliamentary monarchy under the Karageorgevitch Dynasty, which has always shared the ideas and the feelings of the nation, placing liberty and the national will above all else.

(2) This State will be named 'THE KINGDOM OF THE SERBS, CROATS, AND SLOVENES'. And the style of the Sovereign will be 'KING OF THE SERBS, CROATS, AND SLOVENES'.

(3) The State will have a single coat-of-arms, a single flag, and a single crown. These emblems will be composed of the present existing emblems. The unity of the State will be symbolized by the coat-of-arms and the flag of the Kingdom.

(4) The special Serb, Croat, and Slovene flags rank equally and

may be freely hoisted on all occasions. The special coat-of-arms may be used with equal freedom.

(5) The three national designations—Serbs, Croats, and Slovenes—are equal before the law throughout the territory of the Kingdom, and every one may use them freely upon all occasions of public life and in dealing with the authorities.

(6) The two alphabets, the Cyrillic and the Latin, also rank equally, and every one may use them freely throughout the territory of the Kingdom. The royal authorities and the local self-governing authorities have both the right and the duty to employ both alphabets in accordance with the wishes of the citizens.

(7) All recognized religions may be freely and publicly exercised. The Orthodox, Roman Catholic and Mussulman faiths, which are those chiefly professed by our nation, shall rank equally and enjoy equal rights with regard to the State.

In consideration of these principles the legislature will take special care to safeguard religious concord in conformity with the spirit and tradition of our whole nation.

(8) The calendar will be unified as soon as possible.

(9) The territory of the Kingdom of the Serbs, Croats, and Slovenes will include all the territory inhabited compactly and in territorial continuity by our nation of the three names. It cannot be mutilated without detriment to the vital interests of the community.

Our nation demands nothing that belongs to others. It demands only what is its own. It desires to free itself and to achieve its unity. Therefore it consciously and firmly refuses every partial solution of the problem of its national liberation and unification. It puts forward the proposition of its deliverance from Austro-Hungarian domination and its union with Serbia and Montenegro in a single State forming an indivisible whole.

In accordance with the right of self-determination of peoples, no part of this territorial totality may without infringement of justice be detached and incorporated with some other State without the consent of the nation itself.

(10) In the interests of freedom and of the equal right of all nations, the Adriatic shall be free and open to each and all.

(11) All citizens throughout the territory of the Kingdom shall be equal and enjoy the same rights with regard to the State and before the Law.

(12) The election of the Deputies to the National Representative body shall be by universal suffrage, with equal, direct and secret ballot. The same shall apply to the elections in the Communes and other administrative units. Elections will take place in each Commune.

(13) The Constitution, to be established after the conclusion of peace by a Constituent Assembly elected by universal suffrage, with direct and secret ballot, will be the basis of the entire life of the

State ; it will be the source and the consummation of all authority and of all rights by which the entire life of the nation will be regulated.

The Constitution will provide the nation with the possibility of exercising its special energies in local autonomies delimited by natural, social and economic conditions.

The Constitution must be passed in its entirety by a numerically defined majority in the Constituent Assembly.

The Constitution, like all other laws passed by the Constituent Assembly, will only come into force after having received the Royal sanction.

The nation of the Serbs, Croats, and Slovenes, thus unified, will form a State of about twelve million inhabitants. This State will be the guarantee for their independence and national development, and their national and intellectual progress in general, a mighty bulwark against the German thrust, an inseparable ally of all the civilized nations and states which have proclaimed the principle of right and liberty and that of international justice. It will be a worthy member of the new Community of Nations.

Drawn up in Corfu, July 7/20, 1917.

The Prime Minister of the Kingdom of Serbia and Minister for Foreign Affairs

(Sgd.) NIKOLA P. PASHITCH.

The President of the Jugo-Slav Committee

(Sgd.) DR. ANTE TRUMBIC,
Advocate, Deputy and Leader of the Croatian National Party in the Dalmatian Diet, late Mayor of Split (Spalato), late Deputy for the District of Zadar (Zara) in the Austrian Parliament.

III

DOCUMENTS CONNECTED WITH FIUME

(i)

The Pact of Rome (10th April 1918)¹

Les représentants des nationalités soumises entièrement ou en partie à la domination de l'Autriche-Hongrie : Italiens, Polonais, Roumains, Tchéco-Slovaques et Yougoslaves, se sont mis d'accord pour une action commune dans l'affirmation des termes suivants :

1^o Chacun de ces peuples proclame son droit à constituer son unité d'État national ou à la compléter pour atteindre sa pleine indépendance politique et économique ;

2^o Chacun de ces peuples reconnaît dans la Monarchie austro-hongroise l'instrument de la domination germanique et l'obstacle fondamental à la réalisation de ses aspirations et de ses droits ;

3^o Le Congrès reconnaît en conséquence la nécessité d'une lutte

¹ *La Question Adriatique* (Paris, 1920), pp. 25, 26.

commune contre les oppresseurs communs jusqu'à ce que chacun de ces peuples ait atteint sa libération totale, son unité nationale complète et sa liberté politique.

BASES D'UN ACCORD ITALO-YOUGOSLAVE

Les représentants du peuple italien et du peuple yougoslave viennent en particulier de ce qui suit :

4^o Quant aux rapports entre la nation italienne et la nation des Serbes, Croates et Slovènes, connus aussi sous le nom de nation yougoslave, les représentants des deux peuples reconnaissent que l'unité et l'indépendance de la nation yougoslave est d'un intérêt vital pour l'Italie, de même que l'achèvement de l'unité nationale italienne est d'un intérêt vital pour la nation yougoslave. Les représentants des deux peuples s'engagent donc à apporter tous leurs efforts pendant la guerre et au moment de la paix pour que ce but des deux nations soit intégralement atteint ;

5^o Ils déclarent que la libération de la mer Adriatique et sa défense contre tout ennemi présent ou futur est d'un intérêt vital pour les deux peuples ;

6^o Ils s'engagent à régler à l'amiable, également dans l'intérêt des bonnes et sincères relations futures entre les deux peuples, les questions territoriales pendantes, sur la base du principe des nationalités et du droit des peuples à disposer de leurs propres destinées, et cela de façon à ne pas porter préjudice aux intérêts vitaux des deux nations, qui seront définis au moment de la paix ;

7^o Aux noyaux de l'un des peuples qui devraient se trouver inclus dans les frontières de l'autre sera reconnu et garanti le droit de voir respectés leur langue, leur culture et leurs intérêts moraux et économiques. |

(ii)

*Mémoire du Président Wilson à la Délégation italienne, du 14 avril 1919*¹

Il n'est pas de question à laquelle j'ai songé avec plus de soin et d'anxiété que celle-ci, parce que ainsi que tous mes collègues, mon désir le plus ardent est de voir justice entière rendue à l'Italie.

Pendant tout le temps où j'ai réfléchi à ce problème, j'ai, toutefois, senti qu'il était un point sur lequel je n'avais pas le choix d'une décision et pouvais souhaiter de ne pas en avoir. Je me sentais obligé d'adapter aussi exactement que possible chaque conclusion à laquelle je devais arriver avec les quatorze principes de paix que j'ai énumérés dans mon message au Congrès des Etats-Unis le 8 janvier 1918 et dans les messages qui ont suivi. Les quatorze points et les principes posés dans les messages ultérieurs ont été formellement adoptés, à l'exception d'un seul qui a été réservé par les Puissances associées contre l'Allemagne, et constituant la base de la paix avec cette nation.

Je ne me sens pas libre de suggérer une base de paix avec l'Allemagne et une autre pour la paix avec l'Autriche.

¹ *La Question Adriatique* (Paris, 1920), pp. 44-47.

On se rappellera que dans la réponse faite à une communication du Gouvernement autrichien, lequel offrait d'entrer en négociations pour un armistice et une paix basée sur les quatorze points auxquels j'ai fait allusion, je déclarais qu'il y avait une question à laquelle ces points ne pouvaient plus s'appliquer.

• On avait demandé l'autonomie pour les différents États qui étaient autrefois parties constituantes de l'Empire austro-hongrois et je fis observer qu'on devait maintenant laisser aux peuples de ces différentes régions le choix de décider quelles devaient être leurs destinées et leurs relations politiques. Ils ont choisi, et cela, en sympathie avec le monde entier, d'être érigés en États indépendants.

Leur complète séparation de l'Autriche et, en conséquence, la complète désagrégation de l'Empire austro-hongrois qui s'ensuivit, ont donné un nouvel aspect et un nouveau sens aux règlements qui doivent être effectués, en ce qui concerne tout au moins les frontières orientales de l'Italie.

Personnellement, j'estime que l'Italie devrait obtenir tout le long de sa frontière septentrionale et partout où son territoire confine au territoire autrichien tout ce qui lui a été accordé par l'acte qu'on appelle le Pacte de Londres. Mais, je suis convaincu que le Pacte de Londres ne peut plus, aujourd'hui, s'appliquer au règlement de ses frontières orientales. La ligne tracée dans le Pacte de Londres fut conçue avec l'intention d'établir une frontière assurant une parfaite sécurité à l'Italie contre tout acte d'hostilité ou d'agression éventuelle de la part de l'Autriche-Hongrie. Mais l'Autriche-Hongrie n'existe plus. Cette frontière orientale touchera des pays dépourvus désormais de la puissance militaire et navale de l'Autriche, des pays complètement indépendants de celle-ci et constitués en vue de satisfaire les aspirations nationales légitimes — États non point hostiles au nouvel ordre de l'Europe, mais, au contraire, émanant de cet ordre même, intéressés à son maintien, dépendant de l'entretien des rapports d'amitié, et liés à une politique commune de paix et de bon voisinage en vertu du Pacte de la Ligue des Nations.

C'est en ayant ces faits présents à l'esprit que j'ai abordé la question de l'Adriatique.

On est, généralement, d'avis, et j'adhère de tout cœur à ce point de vue, que les ports de Trieste et de Pola et, en même temps qu'eux, la plus grande partie de la péninsule d'Istrie, doivent être cédés à l'Italie, ses frontières orientales suivant la ligne stratégique résultant de la configuration du pays, ligne qu'on s'est efforcé de tracer avec une certaine exactitude sur la carte ci-jointe.

En deçà de cette ligne, du côté italien, se trouvent des groupements considérables de populations non italiennes, mais leur sort est si naturellement lié, par la nature même du pays, au sort des populations italiennes que je considère que leur inclusion dans le territoire italien est pleinement justifiée.

À mon sens, on ne trouverait pas pareille justification si l'on comprenait Fiume, ou quelque partie de la côte au sud de Fiume, dans les limites du Royaume d'Italie.

Fiume est, par sa situation et par toutes les conditions de son dé-

veloppement; non pas un port italien, mais un port international, desservant les pays à l'est et au nord du golfe de Fiume. C'est précisément parce que c'est un port international et qu'il ne peut, en justice, être soumis à une souveraineté quelconque, qu'à mon sentiment très net Fiume devrait jouir, à un très haut degré, d'une autonomie réelle, et, tout en étant, bien entendu, compris dans le régime douanier du nouvel État yougoslave, devrait, néanmoins, être laissé libre, dans son propre intérêt et dans l'intérêt des États environnants, de se consacrer au service du commerce qui, naturellement et inévitablement, cherche ses débouchés dans son port.

Les États que ce port dessert sont des États nouveaux. Ils devront pouvoir absolument compter sur un débouché vers la mer. Les amitiés et les relations de l'avenir dépendront largement d'un accord tel que je l'ai suggéré; et l'amitié, la coopération, la liberté d'action doivent être à la base des accords de paix si cette paix doit être durable.

Je crois que l'on arrivera à un accord commun pour céder à l'Italie l'île de Lissa et lui laisser garder le port de Valona. Je crois qu'on s'accordera aussi pour que les fortifications établies par le Gouvernement autrichien sur les îles voisines de la côte orientale de l'Adriatique soient démantelées définitivement sous la garantie internationale et que le désarmement auquel on devra procéder, sous la surveillance de la Ligue des Nations, n'accorde aux États de la côte orientale de l'Adriatique que des forces navales peu importantes, strictement nécessaires pour assurer la police des eaux territoriales des îles et de la côte.

Telles sont les conclusions auxquelles je suis obligé d'arriver en raison des ententes qui forment la base des négociations d'où doit sortir la paix. Il ne me paraît pas possible d'arriver à une autre conclusion qui soit conforme à l'esprit de ces ententes. Ce furent des ententes acceptées par le monde entier; elles s'imposent avec une force particulière aux États-Unis parce que ceux-ci ont eu le privilège de prendre l'initiative des négociations de paix et parce que les engagements pris par les États-Unis sont à la base de ce problème difficile.

L'Italie obtient certainement, par un tel règlement, la réalisation des grandes aspirations historiques qui existent depuis si longtemps dans l'esprit de son peuple. Les torts historiques dont elle a eu à souffrir de la part de l'Autriche-Hongrie et par une longue série de transactions injustes qui, je l'espère, disparaîtront avant longtemps de la mémoire des hommes, sont complètement redressés. Rien ne lui est refusé de ce qui peut compléter son unité nationale.

Çà et là, sur l'archipel adriatique et sur la côte orientale de cette mer, se trouvent des groupements contenant des éléments considérables de population italienne, mais les engagements aux termes desquels les nouveaux États vont entrer dans la famille des nations sauvegarderont abondamment la liberté, le développement et tous les justes droits des minorités de nationalité ou de race. Et, derrière ces sauvegardes, il y aura toujours l'autorité vigilante et suffisante de la Ligue des Nations. Dès le début, nous aurons évité l'erreur qui aurait consisté à faire des plus proches voisins de l'Italie à l'est des ennemis, et à entretenir précisément l'esprit d'injustice qui a troublé la paix de l'Europe pendant des générations et qui n'a pas peu contribué à provoquer le terrible conflit que nous venons de traverser.

(iii)

*Statements of President Wilson regarding the Disposition of Fiume.*¹

PARIS, April 23, 1919.

In view of the capital importance of the questions affected, and in order to throw all possible light upon what is involved in their settlement, I hope that the following statement will contribute to the final formation of opinion and to a satisfactory solution.

When Italy entered the war she entered upon the basis of a definite, but private, understanding with Great Britain and France, now known as the Pact of London. Since that time the whole face of circumstances has been altered. Many other Powers, great and small, have entered the struggle, with no knowledge of that private understanding. The Austro-Hungarian Empire, then the enemy of Europe and at whose expense the Pact of London was to be kept in the event of victory, has gone to pieces and no longer exists. Not only that. The several parts of that Empire, it is now agreed by Italy and all her associates, are to be erected into independent states and associated in a League of Nations, not with those who were recently our enemies, but with Italy herself and the Powers that stood with Italy in the great war for liberty. We are to establish their liberty as well as our own. They are to be among the smaller states whose interests are henceforth to be as scrupulously safeguarded as the interests of the most powerful states.

The war was ended, moreover, by proposing to Germany an armistice and peace which should be founded on certain clearly defined principles which should set up a new order of right and justice. Upon those principles the peace with Germany has been conceived, not only, but formulated. Upon those principles it will be executed. We cannot ask the great body of Powers to propose and effect peace with Austria and establish a new basis of independence and right in the states which originally constituted the Austro-Hungarian Empire and in the states of the Balkan Group on principles of another kind. We must apply the same principles to the settlement of Europe in those quarters that we have applied in the peace with Germany. It was upon the explicit avowal of those principles that the initiative for peace was taken. It is upon them that the whole structure of peace must rest.

If those principles are to be adhered to, Fiume must serve as the outlet and inlet of the commerce, not of Italy, but of the lands to the north and north-east of that port: Hungary, Bohemia, Rumania, and the states of the new Jugo-Slavic group. To assign Fiume to Italy would be to create the feeling that we had deliberately put the port upon which all these countries chiefly depend for their access to the Mediterranean in the hands of a Power of which it did not form an integral part and whose sovereignty, if set up there, must inevitably seem foreign, not domestic or identified with the commercial and industrial life of the regions which the port must serve. It is for that

¹ *Chicago Tribune*, Paris Edition, Thursday, April 24, 1919, p. 1.

reason, no doubt, that Fiume was not included in the Pact of London, but there definitively assigned to the Croatians.

And the reason why the line of the Pact of London swept about many of the islands of the eastern coast of the Adriatic and around the portion of the Dalmatian coast which lies most open to that sea was not only that here and there on those islands and here and there on that coast there are bodies of people of Italian blood and connexion, but also, and no doubt, chiefly, because it was felt that it was necessary for Italy to have a foothold amidst the channels of the eastern Adriatic in order that she might make her own coasts safe against the naval aggression of Austria-Hungary. But Austria-Hungary no longer exists. It is proposed that the fortifications which the Austrian Government constructed there shall be razed and permanently destroyed. It is part, also, of the new plan of European order which centres in the League of Nations that the new states erected there shall accept a limitation of armaments which puts aggression out of the question. There can be no fear of the unfair treatment of groups of Italian people there because adequate guarantees will be given, under international sanction, of equal and equitable treatment of all racial or national minorities.

In brief, every question associated with this settlement wears a new aspect,—a new aspect given it by the very victory for right for which Italy has made the supreme sacrifice of blood and treasure. Italy, along with the four other great Powers, has become one of the chief trustees of the new order which she has played so honorable a part in establishing.

And on the north and northeast her natural frontiers are completely restored, along the whole sweep of the Alps from northwest to southeast to the very end of the Istrian peninsula, including all the great watershed within which Trieste and Pola lie and all the fair regions whose face nature has turned towards the great peninsula upon which the historic life of the Latin people has been worked out through centuries of famous story ever since Rome was first set upon her seven hills. Her ancient unity is restored. Her lines are extended to the great walls which are her natural defence. It is within her choice to be surrounded by friends ; to exhibit to the newly liberated peoples across the Adriatic that noblest quality of greatness, magnanimity, friendly generosity, the preference of justice over interest.

The nations associated with her, the nations that know nothing of the Pact of London or of any other special understanding that lies at the beginning of this great struggle and who have made their supreme sacrifice also in the interest, not of national advantage or defence, but of the settled peace of the world, now unite with her older associates in urging her to assume a leadership which cannot be mistaken in the new order of Europe.

America is Italy's friend. Her people are drawn, millions strong, from Italy's own fair countrysides. She is linked in blood as well as in affection with the Italian people. Such ties can never be broken. And America was privileged, by the generous commission of her associates in the war, to initiate the peace we are about to consummate,—to initiate it upon terms she had herself formulated, and in which I was her spokesman. The compulsion is upon her to square every

decision she takes a part in with those principles. She can do nothing else. She trusts Italy, and in her trust believes that Italy will ask nothing of her that cannot be made unmistakably consistent with these sacred obligations. Interest is not now in question, but the rights of peoples, of states new and old, of liberated peoples and peoples whose rulers have never accounted them worthy of right ; above all the right of the world to peace and to such settlements of interest as shall make peace secure.

These, and these only, are the principles for which America has fought. These, and these only, are the principles upon which she can consent to make peace. Only upon these principles, she hopes and believes, will the people of Italy ask her to make peace.

(iv)

*Reply of Signor Orlando, Premier of Italy, regarding the
Disposition of Fiume.*¹

PARIS, April 24, 1919.

Yesterday, while the Italian delegation was assembled discussing an alternative proposal sent to it from the British Prime Minister, which had as object the conciliation of the opposing tendencies manifested on the subject of the Italian territorial aspirations, the Paris newspapers published a message from Mr. Wilson, the President of the United States, in which he expressed his own opinion in regard to some of the most serious problems that have been submitted to the judgment of the Conference.

The employment of a direct appeal to the different peoples is certainly an innovation in international relations. It is not my intention to complain about it, but I take official notice of it in order to follow this principle in my turn, inasmuch as this new system without doubt will contribute to giving the peoples a broader participation in international questions, and inasmuch as I have always personally been of the opinion that such participation was a sign of a new era. However, if such appeals are to be considered as being addressed to peoples outside of the governments which represent them, I should say, almost in opposition to their governments, I should have great regret in calling to mind that this procedure, which, until now, has been used only against enemy governments, is today for the first time being used against a government which has been, and counts on remaining, a loyal friend of the great American Republic—against the Italian Government.

I could also complain that such a message, addressed to the people, has been published at the very moment when the Allied and Associated Powers were negotiating with the Italian Government, that is to say, with the very government whose participation had been solicited and appreciated in numerous and serious questions which, up to now, had been dealt with in intimate and complete solidarity.

¹ *New York Herald*, Paris Edition, April 25, 1919, p. 1.

To oppose, so to speak, the Italian Government and people would be to admit that this great free people could submit to the yoke of a will other than its own, and I shall be forced to protest vigorously against such suppositions, unjustly offensive to my country.

I now come to the contents of the President's message : it is devoted entirely to showing that the Italian claims, beyond certain limits defined in the message, violate the principles upon which the new régime of liberty and justice among peoples must be founded. I have never denied these principles, and President Wilson will do me the justice to acknowledge that in the long conversations which we have had, I have never relied on the formal authority of a treaty by which I knew very well that he was not bound. In these conversations I have relied solely on the force of reason and justice upon which I have always believed and still believe the aspirations of Italy are solidly based. I have not had the good fortune of convincing him : I regret it sincerely, but President Wilson himself has had the kindness to recognize, in the course of our conversations, that truth and justice are the monopoly of no one, and that all men are subject to error.

While remarking that more than once the Conference has been brought to change its sentiments radically when it was a question of applying these principles, I do not believe that I am showing disrespect towards this high assembly. On the contrary, these changes have been, and still are, the consequence of all human judgment. I mean to say only that experience has proved all the difficulties which are met in the application of these principles of an abstract nature to infinitely complex and varied concrete cases. Thus, with all deference, but all firmness, I consider the application made by President Wilson in his message of his principles to Italian claims is unjustified.

It is impossible for me, in a document of this nature, to repeat the detailed proofs which have been produced in great abundance. I shall only say that one cannot accept without reservation the statements according to which the downfall of the Austro-Hungarian Empire implies a reduction of the Italian aspirations. It is even permissible to believe the contrary, that is to say, that at the very moment when all the varied peoples which constituted that empire seek to organize themselves according to their ethnic and national affinities, the essential problem set by the Italian claims can and must be completely solved. Now this problem is that of the Adriatic, in which is summed up all the rights of Italy, both ancient and modern, all her martyrdom throughout the centuries and all the benefits which she is destined to bring to the great international community.

The presidential message affirms that with the concessions which she has received Italy would attain the barrier of the Alps, which are her natural defences. This is a concession of vast importance on condition that the eastern flank of that barrier does not remain uncovered and that there be included among the rights of Italy the line from Monte Nevoso separating the waters which flow toward the Black Sea from those which flow into the Mediterranean.

Without that protection a dangerous breach would remain open in that admirable natural barrier of the Alps, and it would mean the

rupture of that unquestionable political, historical and economic unity constituted by the peninsula of Istria.

I believe, moreover, that he who can proudly claim that it was he who proclaimed to the world the right of self-determination of nations, is the very person who must recognize this right to Fiume, ancient city, which proclaimed its Italianity even before the Italian ships were near; to Fiume, admirable example of national consciousness perpetuated throughout the centuries. To deny it this right for the sole reason that it has to do only with a small community, would be to admit that the criterion of justice toward nations varies according to their territorial expansion. And if, to deny this right, we fall back on the international character of this port, we see Antwerp, Genoa, Rotterdam—all international ports serving as an outlet for a variety of nations and regions without their being obliged to pay dearly for this privilege by the suppression of their national consciousness.

And can one describe as excessive the Italian aspiration for the Dalmatian coast, this boulevard of Italy throughout the centuries, which Roman genius and Venetian activity have made noble and great, and whose Italianity, defying all manner of implacable persecution throughout an entire century, today shares with the Italian nation the same feelings of patriotism? In regard to Poland, the principle is held forth that denationalization obtained by violent and arbitrary methods cannot constitute rights. Why not apply the same principle to Dalmatia?

And if we wish to support this rapid synthesis of our good national rights by cold statistical facts, I believe I can state that among the various national reorganizations which the Peace Conference has already brought about or may bring about in the future, none of the reorganized peoples will count within its new frontiers a number of people of another race proportionately less than that which would be assigned to Italy. Why, therefore, is it especially the Italian aspirations that are to be suspected of imperialistic cupidity?

Despite all these reasons, the history of these negotiations will demonstrate that the firmness which was necessary to the Italian delegation was always accompanied by a great spirit of conciliation in seeking the general agreement that we all wished for fervently.

The Presidential message ends by a warm declaration of friendship of America toward Italy. I answer in the name of the Italian people, and I proudly claim this right and this honor, which is due to me as the man who in the most tragic hour of this war uttered to the Italian people the cry of resistance at all costs: this cry was heard and answered with a courage and abnegation of which few examples can be found in the history of the world. And Italy, thanks to the most heroic sacrifices of the purest blood of her children, has been able to climb from an abyss of misfortune to the radiant summit of the most brilliant victory. It is, therefore, in the name of Italy that, in my turn, I express the Italian people's sentiment of admiration and deep sympathy for the American people.

(v)

*Joint British, French, and American Memorandum of the
9th December, 1919.*

At the moment when the Peace Conference is entering what it is hoped may be the last stage of its labours for the conclusion of peace with Germany, Austria and Hungary, the territorial settlement still remains incomplete in respect of regions where the continuance of uncertainty is calculated to affect gravely the vital interests of the countries directly involved, and might easily endanger the peace of Europe and of the world.

Being persuaded that this danger could only grow in intensity if the Peace Conference were to terminate before an agreement had been reached among the principal Allied and Associated Powers concerning the Adriatic question, the representatives at the Conference of America, Great Britain, and France desire to call the attention of their Italian colleague to the urgent necessity of finding a solution. They realise fully the difficulties with which the Italian Government is confronted in dealing with this problem, but it is precisely for this reason that they feel it would be unjust to all the parties concerned, and in the first place to Italy herself, were they any longer to delay putting frankly before the Italian Government a statement of the position such as they see it after many months of examination and reflection. The friends of Italy therefore feel impelled to make a further effort to reach a settlement which would reconcile the fulfilment of her legitimate aims and aspirations with the equitable claims of the neighbouring States as well as with the supreme interests of the peace of the world.

The three representatives accordingly venture to invite the Italian Government to proceed to a fresh survey of the field in the light of the statement which they have now the honour to make.

The British and French representatives have followed with earnest and sympathetic attention the negotiations which have passed between the Italian Government and the President of the United States. If they have hitherto refrained from tendering their direct advice to the Italian Government in the matter, it was because they had hoped the Italian Government would be able to reach an agreement with President Wilson to which the British and French Governments could readily subscribe. It will be remembered that the British and French Governments had already, more particularly by their note communicated to President Wilson on September 10th, used their best efforts to promote such an agreement which the President's answer to that note gave every reason to hope could be brought about. Though a complete agreement has not so far been arrived at, the points of difference still outstanding have been so much reduced as to justify an expectation that a complete accord will now be reached.

It may be well, with this view, to place on record, in the first place, the chief points on which agreement has been reached. This is all the more desirable as it would appear from recent official Italian state-

ments that some misapprehension may exist in regard to matters which can readily be cleared up, such, for instance, as the exact description of what is generally referred to as President Wilson's line. The points of agreement are, in the main, embodied in the American memorandum communicated to the Italian Delegation in Paris on the 27th October :

1. With regard to Istria, President Wilson had from the first agreed to a frontier running from the Arsa River to the Karawanken Mountains, which widely overstepped the recognised ethnical line between Italy and Jugo-Slavia, and which would have as a result to incorporate in Italy more than 800,000 Jugo-Slavs. Italy's geographical position, as well as her economic requirements, was held to justify this serious infringement of the ethnic principle, and President Wilson, anxious to give the fullest value to these important considerations, went still further in agreeing to an extension eastward in such a way as to give to Italy the region of Albona, in spite of the considerable additional number of Jugo-Slavs thereby incorporated.
Moreover, to strengthen the strategic security of Italy, President Wilson, in agreement with the Italian Government, has endorsed the creation of a buffer State between the Italian territory in Istria and the Serb-Croat-Slovene Kingdom in which some 200,000 Jugo-Slavs, as against less than 40,000 Italians, will be placed under the control of the League of Nations. Anxious to remove any conceivable strategic menace that Italy might fear from the Serb-Croat-Slovene State, President Wilson has agreed, and the British and French Governments are glad to associate themselves with this agreement, that the so-called Assling region shall be permanently demilitarised. The three representatives would be happy to learn from the Italian Government whether slight modifications of the demilitarised zone between the Arsa River and Cape Promontore are deemed necessary to safeguard the security of the defences on Italian territory.
2. There is complete agreement concerning the creation, in the interest of Italy, of the buffer State to be known as the 'Free State of Fiume', and its control by the League of Nations. Ethnic considerations would demand that this State, containing 200,000 Jugo-Slavs, should be afforded an opportunity, by plebiscite, to decide its own fate. In deference to Italy's objection that the incorporation of this region in the Serb-Croat-Slovene State by free act of the inhabitants, might create a real menace, it is now agreed that the determination of the whole future of the State shall be left to the League of Nations, which, in conformity with Italian requirements, shall not fail to provide the full measure of autonomy which the city of Fiume enjoyed under Austro-Hungarian rule.
3. The three representatives are glad to record their appreciation of the wisdom and moderation which have marked the attitude of the Italian Government towards the difficult question of

Dalmatia. They feel that the Italian Government have acted on an enlightened view of their higher interests in officially withdrawing territorial claims to an area where to enforce them would have meant permanent discord with the inhabitants of the Serb-Croat-Slovene State, and prevented all possibility of friendly relations with them. In order, however, to safeguard every Italian racial and sentimental interest, it has been agreed that the city of Zara shall enjoy a special régime. Its geographical position indicates Zara as a part of the Jugo-Slav State, but, provided the town is left within the Jugo-Slav Customs Union, it is to be given complete sovereignty under the League of Nations, and freedom to control its own affairs.

4. The same wisdom and moderation as that which has marked the attitude of the Italian Government towards the Dalmatian question have characterised their attitude as regards the islands in the Adriatic. The Italian Government appear to be one with President Wilson in realising the necessary racial, geographic and political connection of the Dalmatian coastal islands with the Jugo-Slav State. On the other hand, the possession of certain outlying islands, though ethnically Jugo-Slav and economically connected with Jugo-Slavia, is considered by the Italian Government necessary to Italy's strategic control of the Adriatic, and the reasonableness of this claim has been accepted, the following islands being accorded to Italy, on a demilitarised status, namely :

- (a) The Pelagosa group.
- (b) Lissa and the small islands west of it.
- (c) Lussin and Unie.

These islands are to pass in full sovereignty to Italy, who on her part is to make an agreement with the Slav population of Lissa, providing for their complete local autonomy.

5. Italy is to receive a mandate for the administration of the independent State of Albania, under the League of Nations. Attached to the present memorandum is an outline of the form which, in the opinion of the three representatives, such a mandate should take. The frontiers of Albania, on the north and east, at present, will be those fixed by the London Conference of 1913. The southern frontier is still a matter for negotiation. In order, however, not to delay a general settlement by such negotiations, the following provisional arrangement could be adopted :

Greece shall occupy the territory west and south of a demarcation line, which shall run as follows (ref. 1,200,000 Austrian staff maps) :

From Mount Tumba on the northern boundary of Greece north-westward along the crest of the Nemercha ridge to the Vojusa River ;

Thence down that river to Tepeleni, Mirica, to point 98 ;

Thence south, passing between the villages of Lopsi-Mar-
tolozit and Zemblan ;

Thence through points 1840 and 1225 to a point about two
miles south by east of 1225 ;

Thence westward, passing just north of Poljana ;

Thence south-east to point 1669 ;

Thence west and north-west to point 2025 ;

Thence south-westward to the coast just south of Aspri
Ruga.

The triangle of territory from point 98 on the Vojusa River
(between Baba and Sinanaj) north-eastward to Lake Malik,
and southward to the Greek frontier and the demarcation line
mentioned above, should be the subject of later negotiation
between the three Allied representatives on the one hand and
Italy and Greece on the other, the three Allied representatives
acting for Albania.

6. The city of Valona, together with such hinterland as may be
strictly necessary to its defence and economic development, is
to be granted to Italy in full sovereignty.

The above six points, in their general aspects, are those on which,
after many months' negotiation, the Italian Government have happily
reached an agreement with the President of the United States. They
appear to afford to Italy full satisfaction of her historic national aspira-
tions, based on the desire to unite the Italian race ; they give her the
absolute strategic control of the Adriatic ; they offer her complete
guarantees against whatever aggression she might fear in the future
from her Jugo-Slav neighbours—an aggression which the three repre-
sentatives on their part consider as most improbable if the lines of
a just and lasting settlement are reached. They have even carried
their concern for Italian security to the point of neutralising the Dal-
matian islands and adjacent waters from the northern border of the
Ragusa region to Fiume. The three representatives therefore venture
very earnestly to urge on the Italian Government in the most friendly
spirit that they should reflect on the great advantages which the above
settlement, following on that which gave to Italy the frontiers of the
Alps, would bring her, and the great moral and material triumph
with which its successful conclusion would now provide the Italian
Government.

Anxious, however, to give the most sympathetic consideration to
every Italian interest or sentiment, the three representatives have care-
fully examined in all their bearings certain further demands which the
Italian Government have presented under the following four heads :

- (a) Control by Italy of the diplomatic relations of Zara.

- (b) An arrangement by which the city of Fiume, the so-called *corpus
separatum*, should be dissociated from the Free State of Fiume
and made completely independent, though its port and railway
should be left to the Free State.

- (c) Direct connection of the city of Fiume with the Italian Province
of Istria by the annexation to Italy of a long, narrow strip of

territory running along the coast from Fiume to Volosca, between the railway and the sea, the Italian frontier in Istria being pushed eastwards so as to include the whole peninsula within Italy.

(d) Annexation to Italy of the island of Lagosta.

With regard to the first point, the representation of Zara, there ought to be no difficulty in satisfying the national Italian demand that this small historic Italian town shall preserve its Italian character, both in its internal administration and in its representation abroad. It is already conceded that (beyond such connection with Jugo-Slavia as Zara shall have by its incorporation in the Serb-Croat-Slovene Customs Union) the city shall be completely independent, under the League of Nations. The city will therefore be entirely free to decide, subject to the approval of the League of Nations, how it shall be diplomatically represented abroad. If, as is contended, the city is completely Italian, her choice will naturally be made in accordance with the Italian claim, and it is hoped that in this way entire satisfaction will be given to the desire of the Italian Government.

The Italian proposal to withdraw the city of Fiume, except its port, from the free State is one which has been found seriously perplexing. The main object of the creation of a buffer State between Italy and Jugo-Slavia was precisely to guarantee on the one hand Italian strategic security, and on the other the prosperity and development of Fiume. It is not understood how it would be possible for the so-called buffer State to exist without Fiume, and still less how it would be possible for Fiume to exist except within the buffer State. Fiume and the buffer State are absolutely dependent one on the other, and any arrangement which removed Fiume from the buffer State would put an end to the prosperity alike of the city and of its hinterland. Mindful of the sentimental feeling aroused in Italy by the question of Fiume, the three representatives have always believed that a practicable plan could be devised whereby the city of Fiume within the buffer State should enjoy a privileged position. With this object in view they propose for Fiume precisely the same degree of autonomy as the city had under Austro-Hungarian rule. It is believed that this provision and the watchful and sympathetic interest of the League of Nations will guarantee to Italy full protection for the Italian ethnic and cultural elements at Fiume. With absolute sovereignty vested in the League of Nations and with Italy represented in the Council of the League every Italian interest will be fully safeguarded. Moreover, to separate the city of Fiume from the buffer State could not fail to lead to a protest against the very establishment of such a buffer State which, under such conditions, would be inhabited almost exclusively by Jugo-Slavs.

With respect to the new Italian proposal for the annexation to Italy of the long narrow strip of coast from Fianona to the gate of the city of Fiume there are difficulties of a practical nature. The reason for which the Italian Government have made this demand is stated to be a purely sentimental one, namely, the desire that the city of Fiume should not be separated from Italy by any intervening foreign country. No doubt such a sentimental reason may be of great importance in the eyes of

the Italian Government, but it would appear to rest on a misapprehension of the real position of Fiume. The creation of the buffer State, which is to be completely independent of Jugo-Slavia, was, among other reasons, precisely intended to safeguard the position of Fiume; and the free State, of which Fiume must, as indicated in the preceding paragraph, form an essential part, is already in direct contact with the Kingdom of Italy not only by sea, but by a long land frontier of approximately 100 miles. Full effect, therefore, is already given to the sentimental considerations to which the Italian Government attach so much value. In fact, the new Italian plan would not achieve this object so well, as in practice it is to be feared that it would be quite unworkable. The Italian Government do not propose to interfere with the railway connecting Fiume with the north, which they admit is to remain within the Free State. This railway runs for a considerable distance along the coast, and the Italian proposal amounts, so far as this region is concerned, to cutting off from the Free State, and incorporating with Italy, the line of sandy and barren beach intervening between the railway and the sea. Whilst the injury to the Free State, which would in this eccentric way be entirely cut off from its only seaboard, is obvious and unmeasurable, it is not easy to understand what would be the benefit to Italy, unless it be considered a benefit to her that the Free State should be so crippled. Nor does it seem necessary to dwell on the extraordinary complexities that would arise as regards customs control, coastguard services, and cognate matters in a territory of such unusual configuration. The plan appears to run counter to every known consideration of geography, economics, and territorial convenience, and it may perhaps be assumed that if these considerations were overlooked by the Italian Government, this was due to their having connected it in their mind with the question of annexing to Italy all that remains of the Jugo-Slav portion of the peninsula of Istria.

This question of further annexation of Jugo-Slav territory is raised quite unambiguously both by the demand for the whole of Istria and by the proposal to annex the island of Lagosta. In neither case do even considerations of strategy arise. For the strategical command of the whole Adriatic is already completely assured to Italy by the possession of Trieste, Pola, the islands facing Fiume, Pelagosa, and Valona. Additional security is afforded by the proposed demilitarisation of the whole Free State of Fiume, together with a large zone lying to the north of it, and of the small portion of Istria remaining to the Free State of Fiume.

Economic considerations being equally excluded, there remains nothing but a desire for further territory. Now the territories coveted are admittedly inhabited by Jugo-Slavs, they contain practically no Italian elements. This being so, it is necessary to refer to the way in which President Wilson, with the cordial approval of Great Britain and France, has met every successive Italian demand for the absorption in Italy of territories inhabited by peoples not Italian, and not in favour of being so absorbed. On this point the following passage may be quoted from a telegram addressed to Signor Tittoni by the Secretary of State at Washington on the 12th November:

'Your Excellency cannot fail to recognize that the attitude of the American Government throughout the negotiations has been one of sincere sympathy for Italy and of an earnest desire to meet her demands. Italy claimed a frontier on the Brenner Pass, and the demand was granted in order to assure to Italy the greatest possible protection on her northern front, although it involved annexing to Italy a considerable region populated by alien inhabitants. Italy demanded further a strong geographic eastern frontier, and this likewise was granted in order to assure her abundant protection, although it involved incorporation within Italian boundaries of further territory populated by alien inhabitants. Italy demanded the redemption of her brothers under foreign sovereignty, and every effort was made to meet this wish even in certain cases where by so doing much greater numbers of foreign races were brought within Italian sovereignty. Italy demanded complete naval control of the Adriatic, and this was granted by according her the three keys of the Adriatic—Pola, Valona, and a central island base. When all this failed to satisfy Italian claims, there was added concession to concession at Sexten Valley, at Tarvis, at Albona, in the Lussin Islands, in the terms of the Fiume Free State and elsewhere. In our desire to deal generously, even more than generously, we yielded to Italy's demand for an Italian mandate over Albania, always hoping to meet from Italy's statesmen a generous response to our efforts at conciliation.'

To the considerations thus urged by Mr. Lansing, the three representatives desire to add another argument. In doing so they trust the Italian Government will not credit them with any desire to give advice on questions of Italian high policy, on which the Italian Government will rightly claim to be the best judge. But an appeal to an historical argument may be permitted to the representatives of three countries to whom the liberation of Italian territories from foreign domination has been a matter of unwavering concern and sympathy through generations of noble and often terrible struggles. Modern Italy won the place in the hearts of all liberty-loving peoples, which she has never since lost, by the pure spirit of her patriotism which set before her people the generous aim of uniting under the Italian flag those extensive provinces formerly within the ancient Italian boundaries which were and have remained essentially Italian territories in virtue of their compact Italian population. The sympathies of the world have accompanied Italy's advance to the outer borders of *Italia irredenta* in pursuit of the sacred principle of the self-determination of the peoples. This principle is now invoked by other nations. Not invariably is it possible, owing to the complicated interaction of racial, geographical, economic, and strategical factors, to do complete justice to the ethnic principle. Small isolated communities surrounded and outnumbered by populations of different race cannot, in most cases, be attached to the territory of their own nation from which they are effectively separated, but the broad principle remains that it is neither just nor expedient to annex, as the spoils of war, territories inhabited by an alien race, anxious and able to maintain a separate national State.

From this point of view the inclusion in Italy of purely Jugo-Slav territories where neither security nor geographical nor economic considerations compel annexation, is not in itself a commendable policy. It would be bound to create within the Italian borders a compact body of irredentism exactly analogous in kind to that which justified the demand of *Italia irredenta* for union with the Italian State.

The three representatives venture with all deference to express the opinion that, in declining to agree to the incorporation of more Jugo-Slav territory, they are acting in the highest interest of the Italian nation itself.

The three representatives would make an earnest appeal to the Italian Government to seize the present most favourable of opportunities for arriving at a friendly agreement with them for the immediate conclusion and permanent guarantee of a definite settlement on lines which they venture to think fully realise all the legitimate national aspirations of Italy and fully safeguard her pre-eminent position in the Adriatic. A settlement based on the foundations which Italy, in conjunction with her Allies, could thereby lay would serve as a means of reconciling interests at present divergent and of offering Italy an opportunity for rendering more cordial and solid her relations with the new nations who are her neighbours and to whom she could furnish such valuable assistance and economic support as her resources and experience entitle her to offer.

The spirit of moderation which has characterised the recent attitude of the Italian Government leads the three representatives to hope that this appeal from Italy's American, British, and French Allies will not pass unheeded, and that the Italian Government will, by assuring definite agreement with their Allies, place on firm foundations the great moral and material triumphs to which Italy's efforts and sacrifices throughout the war have so justly entitled her.

Paris, December 9, 1919.

(Signed) G. CLEMENCEAU.
FRANK POLK.
EYRE A. CROWE.

Memorandum.

The United States, British, and French Governments desire to recognise the independence of the Albanian State. They consider that the State of Albania will require, to the extent indicated in paragraph 4 of article 22 of the Covenant of the League of Nations, 'the administrative advice and assistance' of one of the great Powers. For this task, Italy, by her geographical situation and economic capacity, is primarily indicated.

The United States, British, and French Governments are anxious, therefore, to entrust to Italy a mandate over the State of Albania under the conditions implied in the Covenant of the League of Nations. They consider that these conditions could form the basis of Italy's acceptance of this mandate, and should be embodied in a convention to be concluded between the Italian Government and the Governments

of the Principal Allied and Associated Powers. The headings of such a convention would be the following :

1. Albania is recognised as an independent State within the frontiers indicated in the body of the covering memorandum.

Nothing in these stipulations shall, however, prevent the Albanian State from negotiating with the Serb-Croat-Slovene State such regional rectifications as may be in accord with local ethnographic and economic requirements.

2. The Serb-Croat-Slovene Government shall have the right to construct and operate railways through Northern Albania north of parallel $41^{\circ} 15'$, and otherwise to enjoy full privileges of international transport across Northern Albania.
3. The right to control the development of the Boyana River shall be vested in the Council of the League of Nations with power to delegate the work to either Italy or the Serb-Croat-Slovene State under proper restrictions. It is assumed for this purpose that Montenegro will form part of the Serb-Croat-Slovene State.
4. A commission shall forthwith be established consisting of a representative of the Italian Government, a representative of the League of Nations, and a representative of the Albanian State, who shall be designated by the Principal Allied and Associated Powers, for the purpose of elaborating (a) the terms of the mandate to be entrusted to Italy over Albania, and (b) the organic law of the future State of Albania. This Commission shall terminate its labours within five months from the signature of this Convention and will address a report thereon with the necessary recommendations to the Council of the League of Nations. The final decision as to the terms of the mandate and the organic law shall be made by the Council of the League acting by a majority vote.
5. The Commission foreshadowed in the above paragraph shall base its deliberations not only on the considerations above outlined but also on the following principles :
 - (a) The freedom of conscience and the free and outward exercise of all forms of worship, the complete liberty in education and linguistic matters of all the inhabitants of the State of Albania.
 - (b) The organisation, in so far as may be compatible with the traditions of the country and the exercise of efficient administration, of legislative and administrative bodies representing all sections of the population.
 - (c) Prevention of the exploitation of the country or its colonisation in a manner liable to militate against the interests of the native inhabitants. Under this heading would be included any recommendations which the commission might make as to improvements in the existing system of land tenure.
 - (d) The eventual creation of a local gendarmerie, the senior officers of which may be nationals of the mandatory

Power. The mandatory Power shall have the right, for a period of two years from the date on which the mandate is conferred and pending the organisation of the native gendarmerie, to maintain armed forces in the country. After that period the State of Albania shall be permanently demilitarised, and no Power shall be allowed to maintain regular forces in the country without the sanction of the Council of the League of Nations.

Paris, December 9, 1919.

(Signed) G. CLEMENCEAU.
FRANK POLK.
EYRE A. CROWE.

(vi)

Signor Nitti to Mr. Lloyd George.—(Received January 6)

(Private and Confidential.)

My dear Prime Minister,

London, January 6, 1920.

With reference to our conversation of this morning, I beg to enclose herewith a paper stating my suggestions which, on my advice, might lead to a satisfactory settlement of the Adriatic controversy.

Believe me, &c.

F. NITTI.

Memorandum

ITALY asks for the fulfilment of the Pact of London.

In order to eliminate the difficulties subsequently arisen and to reach a general agreement without any further delay, the Italian Government are prepared to accept the following compromise :

1. Free State of Fiume according to Wilson's plan, but with the frontier of the Pact of London in its south-western part towards Italy.

2. But in the Free State, the city of Fiume with its district (*corpus separatum*) must be guaranteed by a statute efficaciously safeguarding its 'Italianità', which, owing to the great Slav majority in the Free State, would be more threatened than it was under Hungary.

3. To the *corpus separatum* of Fiume within the Free State must be assigned the road to the west with the surrounding strip of territory up to the Italian frontier.

4. The islands of Cherso and Lagosta, besides those already assigned by Wilson, to be assigned to Italy.

5. Zara, free town, with freedom to select its diplomatic representation. Guarantees for the relations of the citizens of Zara with the Dalmatian territory.

6. Effective neutralization of the islands and also of the whole coast and of the ports of the Eastern Adriatic coast from Fiume down to the mouth of the Vojsusa.

7. The Italians of the cities of Fiume and Dalmatia to have the freedom of choosing Italian citizenship without leaving the territory.

8. Guarantees for the existing economic enterprises in Dalmatia.

(vii)

*Revised Proposals handed to M. Trumbitch and M. Pashitch by
M. Clemenceau at a Meeting held at the Quai d'Orsay on
the afternoon of January 14, 1920*

1. THE *corpus separatum* of Fiume to be an independent State under the guarantee of the League of Nations, with the right to choose its own diplomatic representation. The town of Sushak to go to the Serb-Croat-Slovene State. The whole port and the railways terminating there, with all facilities for their development, to be handed over and to belong to the League of Nations, which will make such arrangements as it may see fit in the interests of the Serb-Croat-Slovene State, Hungary, and Transylvania, as well as of the town itself.

2. The free State to disappear and the boundary between Italy and the Serb-Croat-Slovene State to be drawn (a) so as to provide a connexion by road along the coast within Italian territory, but to leave the whole of the railway from Fiume northwards through Adelsberg within the Serb-Croat-Slovene State; where the railway from Fiume passes along the coast the boundary is drawn between the road and the railway; (b) so as to provide for the protection of Trieste, involving a readjustment of the Wilson line in the region of Senoscechia; (c) otherwise the frontier to be drawn as marked by the blue line on the map attached¹ so as to leave purely Jugo-Slav districts in the Serb-Croat-Slovene State.

3. Zara, within the limits of the municipality, to be an independent State under the guarantee of the League of Nations, with the right to choose its own diplomatic representation.

4. Italy to retain Valona, as provided for in the Treaty of London, and, in addition, to have a mandate over Albania. The boundaries of Northern Albania to be readjusted as shown on the map attached.¹ The Albanian districts which will thus come to be administered by the Serb-Croat-Slovene State will enjoy a special régime as an autonomous province, similar to that provided under the treaty with the Czecho-Slovak Republic for the autonomous Ruthenian province of Czecho-Slovakia. The southern boundary of Albania to be the line proposed by the French and British Delegations on the Greek Affairs Commission, leaving Argyrocastro and Koritza to Greece.

5. The following island groups to be assigned to Italy: Lussin, Pelagosa, and Lissa; the remainder of the islands to be under the sovereignty of the Serb-Croat-Slovene State.

6. All the islands of the Adriatic to be demilitarized.

7. Special provisions will be made permitting Italians in Dalmatia to opt for Italian nationality without leaving the territory.

8. Existing economic enterprises in Dalmatia should have their security safeguarded by an international convention.

Paris, January 14, 1920.

¹ Not reproduced.

(viii)

Serb-Croat-Slovene Reply, 20th January, 1920

QUESTION DE L'ADRIATIQUE

Réponse de la Délégation du Royaume des Serbes, Croates et Slovènes, d'après les instructions du Gouvernement Royal, aux Propositions remises à M. Pachitch et à M. Trumbitch, par M. Clemenceau, à la réunion tenue au Quai d'Orsay dans l'après-midi du 14 janvier 1920.

I

Le *corpus separatum* de Fiume ne serait pas sous la souveraineté yougo-slave et l'indépendance de Fiume est acceptée en principe.

En conséquence, le *corpus separatum* de Fiume sans les chemins de fer et sans le port sera un État indépendant sous la souveraineté de la Société des Nations, à qui appartiendra aussi la représentation diplomatique de Fiume.

Le port de Fiume, y compris le grand môle et les chemins de fer qui aboutissent à Fiume, ainsi que les installations qui dépendent de ces services, seront la propriété de la Société des Nations et placés sous la gestion de l'État des Serbes, Croates et Slovènes, à qui appartient le réseau des chemins de fer aboutissant à Fiume, dont ce port est le seul débouché commercial sur la mer. L'État des Serbes, Croates et Slovènes aura le droit de développer le port et les chemins de fer et devra conclure des arrangements avec la Roumanie, la Tchéco-Slovaquie et la Hongrie au profit du commerce de ces pays. En cas de désaccord, le différend sera résolu par le Conseil de la Société des Nations.

La ville de Souchak et le port de Baros, qui en fait partie intégrante et qui a été construit exclusivement en vue du commerce des bois provenant de la Croatie, seront attribués en propriété au Royaume des Serbes, Croates et Slovènes. Ce petit port serait la seule ouverture, au point de vue commercial, qui serait en pleine propriété à la Yougo-Slavie sur toute la longueur de l'Adriatique.

II

La frontière entre l'Italie et la Yougo-Slavie établie par la ligne Wilson depuis les Alpes juliennes jusqu'à l'Arsa est la seule frontière qui réponde aux conditions géographiques, stratégiques et économiques, et elle est entièrement au bénéfice de l'Italie. Cette frontière est acceptée, quoiqu'elle lèse gravement le principe des nationalités en laissant à l'Italie 400,000 Yougo-Slaves. Un si grand sacrifice, tel qu'aucun autre État allié n'en a subi de pareil, est pourtant consenti par le peuple yougo-slave dans l'intérêt de l'accord et de la paix.

L'annexion, que rien ne peut justifier, de territoires purement yougo-slaves au delà de la ligne Wilson constituerait une nouvelle et profonde violation du principe des nationalités. Elle aurait forcément pour résultat de créer à l'intérieur des frontières de l'Italie un foyer permanent d'irrédentisme, précisément de nature analogue à celui qui a justifié les revendications de l' 'Italia Irredenta' demandant son

retour à la mère patrie, ainsi que cela a été excellemment souligné dans le mémorandum de Londres :

(a) En ce qui concerne l'endroit où le chemin de fer qui, partant de Fiume, longe la côte, si cet endroit était attribué à l'Italie il en résulterait des difficultés quotidiennes insurmontables au point de vue du contrôle douanier, du service côtier et des autres services analogues, sur un espace de configuration étrange, qui n'aurait que quelques mètres de largeur entre la mer et le chemin de fer constituant la frontière yougo-slave. Cela créerait inévitablement une source de difficultés quotidiennes.

(b) L'élargissement du territoire italien à l'est de la ligne Wilson dans la région de Senozetche, résultant d'un déplacement de la frontière de quelques kilomètres à l'est, ne peut être justifié par le désir de mieux protéger Trieste. Par contre, cette mesure aurait pour résultat de donner à l'Italie une nouvelle partie de terre yougo-slave sur le plateau de Senozetche et de rapprocher la frontière italienne à 5 ou 6 kilomètres seulement de l'important point de jonction de chemins de fer qu'est la station de Saint-Pierre. Cette ligne, artère vitale des pays yougo-slaves, ne serait ainsi que plus directement menacée.

(c) Les districts purement yougo-slaves ne sont pas seulement ceux qui se trouvent le long de la ligne bleue tracée sur la carte jointe au projet ; les districts purement yougo-slaves sont également ceux qui se trouvent au sud de Senozetche jusqu'à la mer, et qui représentent un territoire ayant à peu près la forme d'un triangle. Par la cession de ce territoire, 60,000 Yougo-Slaves encore seraient attribués à l'Italie, La côte depuis l'Arsa jusqu'à Voloska, longue de plus de 50 kilomètres, domine le golfe de Fiume, dans lequel l'Italie n'a aucun intérêt légitime. Par contre, le golfe de Fiume représente pour la Yougo-Slavie une condition essentielle d'existence, étant son seul débouché économique. Par la cession de ce territoire à l'Italie, tout l'hinterland, qui est habité, ainsi que la côte, par une population purement yougo-slave, serait séparé de la mer.

III

Quant à Zara, quoique cette ville n'ait que 12,000 habitants et ne représente qu'un point isolé au milieu du territoire yougo-slave, dont elle tire ses moyens d'existence, la Délégation n'insiste pas sur sa demande que cette ville soit placée sous la souveraineté yougo-slave et accepte le principe de son indépendance.

En conséquence, Zara (la ville seulement, sans le reste du territoire de la commune de Zara) deviendra un État indépendant sous la souveraineté de la Société des Nations, à qui appartiendra aussi sa représentation diplomatique.

On ne peut admettre que Fiume et Zara aient le droit de choisir leurs représentations diplomatiques ; ce choix, s'il se trouvait être dévolu à l'Italie, constituerait une annexion déguisée.

Cependant, nous attirons encore une fois, de la façon la plus sérieuse, l'attention sur le fait que Zara, qui ne possède aucun moyen d'existence indépendante, serait ruinée économiquement si, comme État indépendant, elle était séparée du reste de la Dalmatie, dont elle est, depuis des siècles, le centre administratif. Étant donné que rien ne s'opposait

à ce que la question fût résolue en accordant à Zara l'autonomie administrative la plus complète sous la protection de la Société des Nations, sa constitution en État indépendant, qui la séparerait du reste de la Dalmatie, n'est donc nullement justifiée.

Si l'on créait, néanmoins, cet État indépendant, l'État des Serbes, Croates et Slovènes aurait le droit de transférer de Zara le Crédit foncier de Dalmatie, les administrations provinciales, les archives, les bibliothèques et tout ce qui servait à l'administration de la province.

IV

Quant à l'Albanie, la Délégation du Royaume des Serbes, Croates et Slovènes fait remarquer à nouveau, comme elle l'a fait dès le début, que la meilleure solution serait de confier l'administration de l'Albanie, telle qu'elle a été créée par la Conférence des Ambassadeurs de Londres de 1918, à un Gouvernement local autonome sans ingérence d'aucune Puissance étrangère.

Au cas où cette solution ne serait pas acceptée, et si l'on adoptait définitivement l'attribution envisagée en faveur d'autres États de parties du territoire albanais, il faut que la frontière proposée en Albanie septentrionale soit l'objet des remaniements indiqués sur la carte ci-jointe. Les districts albanais jouiront, en tant que provinces autonomes, d'un régime spécial analogue à celui qui est stipulé, aux termes du Traité de Paix, avec la République tchéco-slovaque pour la province ruthène autonome de la Tchéco-Slovaquie.

V

Pour faciliter la solution, l'État des Serbes, Croates et Slovènes accepterait, éventuellement, la démilitarisation des îles, faisant ainsi un grand sacrifice, mais à la condition que l'île de Liesa (*sic*), qui est purement slave, et qui, au point de vue économique, est indissolublement liée au reste de la Dalmatie, soit attribuée au Royaume des Serbes, Croates et Slovènes. En conséquence, les îles de Lussing et de Pelagruza resteraient à l'Italie et seraient démilitarisées, comme les autres îles de l'Adriatique.

La démilitarisation consistera dans l'interdiction de fortifier les îles ; toutefois, les navires de guerre pourront librement circuler dans leurs eaux.

VI

L'État des Serbes, Croates et Slovènes reconnaît aux Italiens de Dalmatie la faculté d'opter pour la nationalité italienne, sans quitter le territoire du Royaume des Serbes, Croates et Slovènes.

VII

Une convention internationale garantira les droits acquis des sujets italiens en ce qui concerne leurs entreprises industrielles en Dalmatie.

VIII

De même, la pleine et entière protection de la nationalité, du langage et du développement économique et intellectuel de la population yougo-slave restant à l'Italie sera garantie.

IX

La question du partage de la flotte de guerre et de la flotte commerciale austro-hongroises est liée au problème adriatique.

En ce qui concerne la flotte commerciale, il est nécessaire que la Yougo-Slavie et l'Italie soient, dès à présent, autorisées à effectuer le partage des navires sur la base de la décision du Conseil suprême du 22 novembre 1919.

Quant à la flotte de guerre, la Délégation demande, conformément à ses lettres datées du 2 juin 1919 et du 8 janvier 1920, dont les copies sont ci-annexées, que les navires qui y sont mentionnés, et qui sont indispensables pour la défense élémentaire des côtes yougo-slaves, soient attribués au Royaume des Serbes, Croates et Slovènes.

Paris, le 20 janvier 1920.

(ix)

President Wilson's Note of 10th February, 1920

The following is the text of a communication from the Secretary of State of the United States of America to the American Ambassador in Paris, which, in accordance with the instructions therein contained, will be delivered by the American Ambassador in Paris to the French Foreign Office, and to the British Embassy in Paris, and which, pursuant to the request of Ambassador Wallace, is furnished to the Prime Ministers of Great Britain and France by the American Ambassador in London, in order that they may be informed thereof at the earliest practicable moment :

‘ Please communicate the following to British and French representatives :

‘ The President has carefully considered the joint telegram addressed to this Government by French and British Prime Ministers and communicated by the American Ambassador in Paris in regard to the negotiations on the Adriatic question. The President noted with satisfaction that the French, British and Italian Governments have never had the intention of proceeding to a definite settlement of this question except in consultation with the American Government. The President was particularly happy to receive this assurance, as he understood that M. Clemenceau and Mr. Lloyd George, in agreement with Signor Nitti, had decided upon a solution of the Adriatic question, which included provisions previously rejected by the American Government, and had called upon the Jugo-Slav representative to accept this solution on pain of having the Treaty of London enforced in case of rejection. The President is glad to feel that the Associates of this Government would not consent to embarrass it by placing it in the necessity of refusing adhesion to a settlement which in form would be an agreement by both parties to the controversy, but which in fact would not have that great merit, and one party was forced to submit to material injustice by

threats of still greater calamities in default of submission. The President fully shares the view of the French and British Governments that the future of the world largely depends upon the right solution of this question, but he cannot believe that a solution containing provisions which have already received the well-merited condemnation of the French and British Governments can in any sense be regarded as right. Neither can he share the opinion of the French and British Governments that the proposals contained in their memorandum delivered to the Jugo-Slav representatives on the 14th January leave untouched practically every important point of the joint memorandum of the French, British and American Governments of the 9th December, 1919, and that "only two features undergo alterations, and both these alterations are to the positive advantage of Jugo-Slavia". On the contrary, the proposal of the 9th December has been profoundly altered to the advantage of Italian objectives, to the serious injury of the Jugo-Slav people, and to the peril of world peace. The view that such positive advantages have been conceded to Italy would appear to be borne out by the fact that the Italian Government rejected the proposal of the 9th December and accepted that of the 14th January.

The memorandum of the 9th December rejected the device of connecting Fiume with Italy by a narrow strip of coast territory as quite unworkable in practice, and as involving extraordinary complexities as regards customs control, coast-guard services, and cognate matters in a territory of such unusual configuration. The French and British Governments, in association with the American Government, expressed the opinion that "the plan appears to run counter to every consideration of geography, economics and territorial convenience". The American Government notes that this annexation of Jugo-Slav territory by Italy is nevertheless agreed to by the memorandum of the 14th January. The memorandum of the 9th December rejected Italy's demand for the annexation of all of Istria, on the solid ground that neither strategic nor economic considerations could justify such annexation, and that there remained nothing in defence of the proposition, save Italy's desire for more territory admittedly inhabited by Jugo-Slavs. The French and British Governments then expressed their cordial approval of the way in which the President has met every successive Italian demand for the absorption in Italy of territories inhabited by peoples not Italian, and not in favour of being absorbed, and joined in the opinion that "it is *neither* just nor expedient to annex as the spoils of war territories inhabited by an alien race." Yet this unjust and inexpedient annexation of all of Istria is provided for in the memorandum of the 14th January. The memorandum of the 9th December carefully excluded every form of Italian sovereignty over Fiume. The American Government cannot avoid the conclusion that the memorandum of the 14th January opens the way for Italian control of Fiume's foreign affairs, thus introducing a measure of Italian sovereignty over, and Italian intervention in, the only practicable port of a neighbouring people, and taken in conjunction with the extension of Italian territory to the gates of Fiume, paves the way for possible future annexation of the port by Italy in contradiction of compelling consideration of equity

and right. The memorandum of the 9th December afforded proper protection to the vital railway connecting Fiume northward with the interior. The memorandum of the 14th January establishes Italy in dominating military positions close to the railway at a number of critical points.

'The memorandum of the 9th December maintained in large measure the unity of the Albanian State. That of the 14th January partitions the Albanian people against their vehement protests, among three different alien Powers.

'These, and other provisions of the memorandum of the 14th January, negotiated without the knowledge or approval of the American Government, change the whole face of the Adriatic settlement, and, in the eyes of this Government, render it unworkable, and rob it of that measure of justice which is essential if this Government is to co-operate in maintaining its terms. The fact that the Jugo-Slav representatives might feel forced to accept, in the face of the alternative of the Treaty of London, a solution which appears to this Government so unfair in principle, and so unworkable in practice, would not in any degree alter the conviction of this Government that it cannot give its assent to a settlement which, both in the terms of its provisions and in the methods of its enforcement, constitutes a positive denial of the principles for which America entered the war.

'The matter would wear a very different aspect if there were any real divergence of opinion as to what constitutes a just settlement of the Adriatic issue. Happily, no such divergence exists. The opinions of the French, British and American Governments as to a just and equitable territorial arrangement at the head of the Adriatic Sea were strikingly harmonious. Italy's unjust demands had been condemned by the French and British Governments in terms no less severe than those employed by the American Government. Certainly the French and British Governments will yield nothing to their American associate as regards the earnestness with which they have sought to convince the Italian Government that fulfilment of its demands would be contrary to Italy's own best interests, opposed to the spirit of justice in international dealings, and fraught with danger to the peace of Europe. In particular, the French and British Governments have opposed Italy's demands for specific advantages which it is now proposed to yield to her by the memorandum of the 14th January, and have joined in informing the Italian Government that the concessions previously made "afford to Italy full satisfaction of her historic national aspirations based on the desire to unite the Italian race, give her the absolute strategic control of the Adriatic and offer her complete guarantees against whatever aggression she might fear in the future from her Jugo-Slav neighbours."

'While there is thus substantial agreement as to the injustice and inexpediency of Italy's claims, there is a difference of opinion as to how firmly Italy's friends should resist her importunate demands for alien territories to which she can present no valid title. It has seemed to the President that French and British associates of the American Government, in order to prevent the development of possibly dangerous com-

plications in the Adriatic region, have felt constrained to go very far in yielding to demands which they have long opposed as unjust. The American Government, while no less generous in its desire to accord to Italy every advantage to which she could offer any proper claims, feels that it cannot sacrifice the principle for which it entered the war to gratify the improper ambitions of one of its associates or to purchase a temporary appearance of calm in the Adriatic at the price of a future world conflagration. It is unwilling to recognise either an unjust settlement based on a secret treaty, the terms of which are inconsistent with the new world conditions, or an unjust settlement arrived at by employing that secret treaty as an instrument of coercion. It would welcome any solution of the problem based on a free and unprejudiced consideration of the merits of the controversy or on terms which the disinterested Great Powers agreed to be just and equitable. Italy, however, has repeatedly rejected such solutions. This Government cannot accept a settlement the terms of which have been admitted to be unwise and unjust but which it is proposed to grant to Italy in view of her persistent refusal to accept any wise and just solution.

‘It is a time to speak with the utmost frankness. The Adriatic issue as it now presents itself raises the fundamental question as to whether the American Government can on any terms co-operate with its European associates in the great work of maintaining the peace of the world by removing the primary causes of war. This Government does not doubt its ability to reach amicable understandings with the Associated Governments as to what constitutes equity and justice in international dealings; for difference of opinion as to the best methods of applying just principles have never obscured the vital fact that in the main several Governments have entertained the same fundamental conception of what these principles are. But if substantial agreement to principle, if just and reasonable, is not to determine international issues; if the country possessing the most endurance in pressing its demands rather than the country armed with a just cause is to gain the support of the Powers; if forcible seizure of coveted areas is to be permitted and condoned, and is to receive ultimate justification by creating a situation so difficult that decision favourable to the aggressor is deemed a practical necessity; if deliberately-incited ambition is, under the name of national sentiment, to be rewarded at the expense of the small and the weak; if, in a word, the old order of things which brought so many evils on the world is still to prevail, then the time is not yet come when this Government can enter a concert of Powers, the very existence of which must depend upon a new spirit and a new order. The American people are willing to share in such high enterprise; but many among them are fearful lest they become entangled in international policies and committed to international obligations foreign alike to their ideals and their traditions. To commit them to such a policy as that embodied in the latest Adriatic proposals and to obligate them to maintain injustice as against the claims of justice would be to provide the most solid ground for such fears. This Government can undertake no such grave responsibility.

‘If it does not appear feasible to secure acceptance of the just and

generous concessions offered by the British, French and American Governments to Italy in the joint memorandum of those Powers of the 9th December, 1919, which the President has already clearly stated to be the maximum concession that the Government of the United States can offer, the President desires to say that he must take under serious consideration the withdrawal of the treaty with Germany and the agreement between the United States and France of the 28th June, 1919, which are now before the Senate and permitting the terms of the European settlement to be independently established and enforced by the Associated Governments.

' LANSING.'

*American Embassy, London,
February 13, 1920.*

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Memorandum by the Prime Ministers of France and Great Britain in reply to President Wilson's communication received on 14th February, 1920.

The Prime Ministers of France and Great Britain have given their earnest attention to the communication made to them in regard to the Adriatic settlement on behalf of President Wilson. They are glad that the Government of the United States has set forth its views so fully and with such complete frankness. They do not, however, find it altogether easy to understand the steps by which the Government of the United States has arrived at its present attitude.

In the first place they believe that there is no foundation for the assumption which underlies the American communication, that the proposed settlement outlined in their telegram of the 20th January involves a capitulation to the Italian point of view as opposed to the Jugo-Slav and therefore constitutes a settlement with which the American Government can have nothing to do. The memorandum from the United States Government criticises the proposed settlement on four grounds. First, that it cedes to Italy the narrow strip of territory running along the coast as far as the *corpus separatum* of Fiume. Secondly, that this strip of territory coupled with the constitution of Fiume as a free city under the guarantee of the League of Nations clearly paves the way for its annexation to Italy. Thirdly, that the modification of the Jugo-Slav-Italian frontier operates to the detriment of Jugo-Slavia in its control of the northern railway from Fiume; and fourthly, that it provides for the partition of Albania. The memorandum of the United States Government would appear to have entirely ignored the great advantages conferred on Jugo-Slavia at the same time.

The origin of the proposal of the 20th January lies in the fact that when the Prime Ministers of Great Britain and France came to deal directly both with the representatives of Italy and Jugo-Slavia in Paris they found that nobody desired the constitution of the free state of Fiume, which had always been an essential part of the American pro-

posals for settlement. They discovered that Jugo-Slavia would prefer a settlement which did away with the free state, including as it does a population of 200,000 Slavs, and included as much as possible of its territory and population within its own borders. Accordingly the Governments of France and Great Britain, continuing the negotiations from the point at which they had been left on the 9th December, made the proposal under discussion including the rectification of the Wilson line and the cession to Italy of a strip of territory running along the shore so as to connect it with the free city of Fiume, the net upshot of which was that Jugo-Slavia was to gain, as compared with the American proposal, an additional 150,000 Jugo-Slavs, while agreeing to the inclusion within the Italian frontier of a further 50,000 Jugo-Slavs in addition to the 40,000 which President Wilson had already agreed to allot to that country.

As regards the suggestion that the proposal of the 20th January clearly paved the way for the annexation of the town of Fiume to Italy, the French and British Governments cannot possibly accept the implication that the guarantee of the League of Nations is worthless, and that the Italian Government has no intention of abiding by a Treaty which it enters into. As regards the railway, the proposal of the 20th January gives to the Jugo-Slav State the control of the whole line from the point where it leaves the port of Fiume, which is under the control of the League of Nations. The railway is a commercial and not a strategic railway. Under President Wilson's proposals it is commanded by Italian guns. According to either plan nothing could be easier than for Italy to cut it in the event of war. They do not, therefore, see that there is substance in this criticism of a proposal whose real effect is to transfer the whole railway to Jugo-Slavia instead of leaving it in the hands of the free state of Fiume which no one desires.

There remains the question of Albania. They are glad to receive the criticism of the American Government on this part of their proposal. They would point out, however, that their telegram of the 20th January states that, 'the details of the administration of this country by Jugo-Slavia, Italy and Greece have yet to be elaborated, and in working to this end sight will not be lost of the feelings and future interest of the Albanian people and every endeavour will be made to carry out the arrangements in full consultation with them.' Further they would point out that so far from this proposal being made in the interests of Italy it was made in the interests of Jugo-Slavia. The Jugo-Slavs pointed out that though under the proposal of the 20th January the northern part of their territory was guaranteed adequate access to the sea through the Port of Fiume, the southern part of Jugo-Slavia had no such access, and that the natural outlet was to build a line down the Drin river to the mouth of the Boyana river. The French and British Governments thought that there was force in this contention, and their proposal in regard to Albania was designed to enable Jugo-Slavia, inasmuch as Albania was unable to undertake the work for itself, to develop under international guarantee a railway and port serving the southern part of its territory. Inasmuch as the Albanian people have never been able to establish a settled Government for themselves, and

as the northern part of the population is overwhelmingly Christian and the southern part similarly Mahommedan, they thought it best to entrust the responsibility for government and development of these two parts to Jugo-Slavia and Italy respectively. They have, however, agreed that the whole of Albania should be brought under the mandatory system, and they believe that this will make it possible eventually to satisfy the aspirations of the Albanian people for unity and self-government.

The Governments of Great Britain and France, therefore, must repeat that they find difficulty in understanding the present attitude of the United States Government towards the proposals, and they hope that in view of these explanations that Government will see its way to reconsider its attitude. In their view these proposals are the natural outcome of the policy of the joint memorandum of the 9th December, once, with the consent of both parties concerned, the idea of the free state of Fiume was abandoned. In view of the absence of the American Representatives they had no option but to attempt to settle this question by themselves. It is not, however, the desire of the two Governments to force a settlement which is unacceptable to the President of the United States, and they will, therefore, not attempt to insist upon its acceptance until they have heard the view of the United States Government on this despatch. They have confined themselves, therefore, to asking the Jugo-Slav Government to give a definite answer to their memorandum of the 20th January, since they must know what the attitude of that Government is.

They feel bound, however, to ask the United States Government to consider the effect of their action. The proposal of the 9th December has fallen to the ground because nobody now wants to set up the artificial free state of Fiume. The proposal of the 20th January is objected to by the United States, which had no representative at the deliberations, and which cannot, therefore, be in close touch with the changes of opinion and circumstances which have taken place since its plenipotentiaries returned to America. They cannot help feeling that a large part of the misunderstanding is attributable to the difficulty of reaching a common understanding in the circumstances. How does the United States Government, which, to the regret of the Allies, still has no plenipotentiaries at the Conference, propose that this dispute, which prevents the reconstruction and threatens the peace of South-Eastern Europe, and whose settlement is urgently required, should ever be closed?

Further, the British and French Governments must point out that the failure to secure an agreed settlement between Italy and Jugo-Slavia must leave them no choice but to acknowledge the validity of the Treaty of London. They would recall to the United States Government that the Treaty of London was entered into in the spring of 1915 at a most critical and dangerous moment of the war. In thus entering the war on the side of human freedom Italy made it a condition that the Allies should secure for her as against Austria-Hungary strategic frontiers which would guarantee her against the retention by the Central Powers of the strategic command of the northern plains of

Italy. Had the Austro-Hungarian Empire remained in existence as the ally of Germany, the provisions of the Treaty of London would have been sound. Relying upon the word of her Allies, Italy endured the war to the end. She suffered a loss in killed of over 500,000 men and in wounded of three times that number, while her people are burdened by crushing debt. It was clearly impossible for her Allies to declare at the end of the war that their signature to the treaty meant nothing but a scrap of paper, and that they did not intend to apply the terms of their bond. They agreed with President Wilson that the circumstances under which the Treaty of London was concluded had been transformed by the war itself. The Austro-Hungarian Empire had disappeared, and the menace to Italy, against which the terms of the treaty were intended to provide, had largely diminished. They therefore entirely associated themselves with the efforts of President Wilson to negotiate a settlement between Italy and Jugo-Slavia which was more consonant with the new conditions and which was acceptable to both sides. But throughout these negotiations they never concealed from him the fact that they regarded themselves as bound by the Treaty of London in the event of a voluntary agreement not being arrived at. The fact, therefore, that when they made their proposals of the 20th January they informed both the Italian and the Jugo-Slav Governments that in the event of their not being accepted they would have no option but to allow the Treaty of London to come into force can have come as no surprise, and was, indeed, the obvious method of bringing this long controversy to a close. They would point out that this declaration is not, as the American Government would appear to think, an ultimatum to Jugo-Slavia on behalf of Italy. Under the Treaty of London, Italy has had to abandon Fiume altogether and hand it over to Jugo-Slavia. This part of the Treaty is as unacceptable to Italians as is the transfer of Dalmatia and the islands to Jugo-Slavia. The declaration, therefore, in regard to the enforcement of the treaty was an attempt to promote a prompt settlement of this dangerous controversy by pointing out to both sides that if they could not agree upon a settlement which after long negotiation seemed to be a fair compromise between their conflicting views, the only alternative was an arrangement which was less palatable to both.

Finally, the Governments of France and Great Britain feel bound to reply to the general observations contained in the latter part of the United States memorandum. They know well the sincerity of President Wilson's desire for the establishment of a better international order providing real guarantees against a repetition of the terrible events of the last five years. They are reluctant to believe that the President can consider that the modifications which they have made in the memorandum of the 9th December can constitute in themselves a justification for a withdrawal from all further co-operation with them in the attempt to adjust peaceably the world's affairs. They feel confident that the explanations contained in this reply will remove any misunderstandings as to the nature of the Adriatic proposals. At the same time they are deeply concerned that the United States should even contemplate the action to which they refer. One of the principal

difficulties encountered by the heads of Governments during the negotiations of peace was that of reconciling treaty obligations with national aspirations which had changed or come into being since the date on which the treaties were signed. It was obviously impossible to ignore these latter aspirations, many of them born during the war and formulated with unexampled clarity and elevation by the President of the United States himself. It was equally clearly impossible to ignore treaties. In fact, the war began in order to enforce upon Germany respect for the solemn treaty she had made nearly eighty years before in regard to the neutrality of Belgium. It is the task of the statesmen of the world to endeavour to adjust national aspirations and ideals, many of which are only transitory and ephemeral, with one another and with international treaties. The difficulty of the task, the patience required in order to effect it successfully, the uselessness of endeavouring to enforce preconceived ideas on refractory material, has been recognised by no one more clearly than by the President of the United States. In his address at the opening session of the Peace Conference he pointed out how impossible it was to expect imperfect human beings and imperfect nations to agree at once upon ideal solutions. He made it clear that in his judgment the only course before the Peace Conference was to do the best it could in the circumstances and to create machinery whereby improvements and rectifications could be effected by reason and common sense under the authority of the League of Nations instead of by resort to war. Accordingly not only was the League of Nations established, but Article IX was specially inserted in the Covenant providing that 'the Assembly may from time to time advise the reconsideration by members of the League of treaties which become inapplicable and the consideration of international conditions whose continuance might endanger the peace of the world.' Thus an essential part of the Treaties of Peace has been the constitution of machinery for modifying and correcting those treaties themselves, where experience shows it to be necessary. The Governments of France and Great Britain, therefore, view with consternation the threat of the United States Government to withdraw from the comity of nations because it does not agree with the precise terms of the Adriatic settlement. The difficulty of reconciling ethnographic with other considerations is certainly not greater in the Adriatic case and does not produce more anomalous results than in the case of other parts of the general Treaties of Peace, difficulties which were recognised by President Wilson and his colleagues when they agreed to the best settlement practicable at the time, because the machinery for peaceful readjustment had come into being. That ethnographic reasons cannot be the only ones to be taken into account is clearly shown by the inclusion of 3,000,000 Germans in Czecho-Slovakia, and the proposals so actively supported by the United States Delegation for the inclusion within Poland of great Ruthenian majorities exceeding 3,500,000 in number hostile to Polish rule. Though the British Representatives saw serious objections to this arrangement, the British Government have not thought themselves justified in reconsidering on that account their membership of the League of Nations. The

Governments of France and Great Britain, therefore, earnestly trust that whatever the final view of the United States Government as to the Adriatic settlement may be, they will not wreck the whole machinery for dealing with international disputes by withdrawing from the treaties of 1919 because their view is not adopted in this particular case. That would be to destroy the hopes now entertained by countless millions of people all over the world that the most enduring and the most beneficent part of the Treaty of Peace was the constitution of machinery whereby the defects of treaties could be remedied and the changing conditions and aspirations of mankind could be adjusted by processes of reason and justice instead of by the balancing of armaments and resort to war. The Governments of Great Britain and France cannot believe that it is the purpose of the American people to take a step as far-reaching and terrible in its effects on a ground which has the appearance of being so inadequate.

MILLERAND.

D. LLOYD GEORGE.

London, February 17, 1920.

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Treaty of Rapallo, 12th November, 1920

BETWEEN THE KINGDOM OF ITALY AND THE SERB-CROAT-SLOVENE KINGDOM¹

THE BOUNDARIES OF ISTRIA

Article I. The frontier between the Kingdom of Italy and the Kingdom of the Serbs, Croats, and Slovenes is established as follows :

From Mount Pec (Q. 1,511), which is common to the three frontiers of Italy, Austria and the Kingdom of the S.H.S. as far as Mount Jalovez (Q. 2,648), a line to be determined on the ground drawn roughly north and south, and passing through Q. 2,277 (Ponca).

Beyond Mount Jalovez, a line following the watershed between the basin of the Isonzo and that of the Sava da Wurzen as far as Mount Tricorno (Triglav, Q. 2,868) ; then the watershed between the basin of the Isonzo and that of the Sava da Wochein (Bohiny) as far as the north-eastern slopes of Mount Mosaic (Q. 1,602), passing through Hills 2,848 (Vogel), 2,008 (Lavsevic) and 2,086 (Kuk).

From the north-eastern slopes of Mount Mosaic and the eastern slopes of Mount Porzen (Q. 1,681) a line running roughly north and south to be determined on the ground.

From the eastern slopes of Mount Porzen (Q. 1,681) to the western slopes of Mount Blegos (Q. 1,562) a line running roughly east and west to be determined on the ground, leaving the hamlet of Dautscha to the S.H.S. Kingdom, and that of Novaka to Italy.

From the western slopes of Mount Blegos (Q. 1,562) to the eastern

¹ Text is taken from *Il Messagero*, Rome, 13th November, 1920.

slope of Mount Bevk (Q. 1,050) a line to be determined on the ground, with a general direction of N.E. and S.W., leaving to the S.H.S. Kingdom the hamlets of Loskovza, Kopacnica and Zaveden, and to Italy the two passes of Podlanischam.

From the eastern slopes of Mount Bevk (Q. 1,050) as far as immediately to the western boundary of the hamlet of Hotedrazica a line to be determined on the ground, leaving to the S.H.S. Kingdom the hamlets of Javerjudol, Ziri, Opale, Hlevische, Rvto, and Hotedrazica and to Italy, Mount Prapretni and the hamlets of Bresnike, Urednik, Zavratac and Madwedjeberdo.

Hereafter a line as far as the hamlet of Zelse, which at first follows the dyke beside the carriage road Hotedrazica-Planina, leaving accordingly to the S.H.S. Kingdom the hamlets of Planina, Unek, Zelse and Radek.

From the hamlet of Zelse to Cabranska a line to be determined on the ground, running roughly N.W. and S.E. which at first turns aside along the lower slopes of Mount Pomario (Javoruk Q. 1,268), leaving to the S.H.S. Kingdom the hamlets of Dolenia, Vas, Dolenje, Jezero and Otok, and to Italy the summits of Hills 875, 985 and 968; then along the eastern lower slopes of the Bicka-Gora (Q. 1,286) and of the Piekra Gora (Q. 1,067), assigning to Italy the hamlets of Lescova, Dolina, and the road junction of Hill 912 to the west of Skodnik and of Hill 1,146 to the east of Cifri (Q. 1,399), as far as Cabranska, which will remain Italian territory, together with the carriage road running along the lower slopes of Mount Nevoso from Lescova Dolina to Cabranska.

From Cabranska to Griza (Q. 502) a line to be determined on the ground, running roughly N.E. and S.W. passing to the east of Mount Trestenico (Trstenek, Q. 1,243) and touching Hill 817 to the south of Suhova; passing to the south of Zidovje (Q. 660) and then to the east of Griza (Q. 502), leaving to Italy the hamlets of Clana and Bresa and to the S.H.S. Kingdom the district of Studena.

From Griza (Q. 502) to the boundary of the State of Fiume a line to be determined on the ground running roughly north and south until it reaches the carriage road of Rupa Castua about half-way between Jossici and Spincici; afterwards it cuts this road and encircling to the west the hamlets of Miseri and Trinaiatici (which are left to the S.H.S. Kingdom), meets the Mattuglie-Castua carriage road, at the height of the cross-road to the east of Mattuglie, then on the Fiume-Castua road it meets the north boundary of the Free State of Fiume, and precisely at the north boundary of the hamlet of Robesi (where it is crossed by the cart-track from Croce di Tomatici at a point about 500 metres south of the cross-roads west of Castua). Until, however, the regular road communications in Italian territory are in working order the said carriage roads and the cross-roads to the west of Castua may be fully and freely used by the Kingdom of Italy as well as the State of Fiume.

ITALIAN SOVEREIGNTY OF ZARA

" *Article II.* Zara and the territory hereinafter described are recognized as forming part of the Kingdom of Italy.

The territory of Zara under Italian sovereignty comprises the city and the commune of Zara and the commune (section) of Borgo Erizzo, Cerno, Boccagnazzo, and that part of the commune (section of Diclo), determined by a line starting from the sea at about 700 metres S.E. of the village of Diclo and going in a straight line towards the N.E. as far as Hill No. 66 (Gruz).

A special convention will make the necessary dispositions for this Article as regards the commune of Zara and its relations with the district and the province of Dalmatia and will regulate the reciprocal intercourse between the territory assigned to Italy and the rest of the territory hitherto forming part of the same communes, district and province belonging to the S.H.S. Government, including therein the just division of provincial and communal property and of the archives relative thereto.

Article III. Equally recognized as forming part of the Italian Kingdom are the Islands of Cherzo and Lussin with the smaller islands and reefs included in their respective administrative districts, as well as the smaller islands and reefs included in the administrative boundaries of the Province of Istria in so far as they are attributed by the above terms to Italy, and the islands of Lagosta and Pelagosa with the adjacent islets.

All the other islands which belonged to the former Austro-Hungarian Monarchy are recognized as forming part of the S.C.S. Kingdom.

THE FREE STATE OF FIUME

Article IV. The Kingdom of Italy and the Kingdom of the Serbs, Croats and Slovenes recognize the full liberty and independence of the State of Fiume and pledge themselves to respect it in perpetuity. The State of Fiume is constituted :

(a) Of the *corpus separatum*, which is at present bounded by the limits of the City and of the District of Fiume.

(b) Of a strip of territory, hitherto part of Istria, bounded as follows :

To the north—by a line to be settled on the ground which, starting immediately to the south of the village of Castua, meets on the San Mattia-Fiume road the boundary of the *corpus separatum*, leaving the villages of Serdoci to the north of Nosti to the S.C.S. Kingdom, and leaving all the carriage road, which to the north of the railway to Mattuglie and across hill No. 377 to the west of Castua leads to Rupa, to the State of Fiume.

To the west—by a line descending from Mattuglie to the sea at Proluca, leaving the railway station and the locality of Mattuglie in Italian territory.

Article V. The boundaries of the territories referred to in the preceding articles shall be traced on the ground by a Delimitation

Commission composed half of Italian and half of S.C.S. delegates. In case of dispute the arbitration of the President of the Swiss Republic shall be requested, and from this arbitration there shall be no appeal.

For clearness and greater accuracy a map (scale 1/200,000) is annexed to the present treaty, and on it is marked the line of the boundaries referred to in articles I and IV.

Article VI. The Italian and S.C.S. Kingdom will convoke a conference composed of technical and competent authorities of the two countries within two months of the entry into force of the present treaty. The said conference should with the least possible delay place before the two Governments precise proposals on all the plans for establishing the most cordial economic and financial relations between the two countries.

PROTECTION OF ITALIANS OF DALMATIA

Article VII. The S.C.S. Kingdom declares its recognition in favour of Italian citizens and Italian interests in Dalmatia as follows :

(1) Concessions of an economic character granted by the Government or by public bodies of the States, to which the S.C.S. Kingdom succeeds, to Italian companies or citizens, and held by the latter in virtue of legal title deeds up to November 12th, 1920, are fully respected, and the S.C.S. Government bind themselves to keep all the pledges given by former Governments.

(2) The S.C.S. Kingdom agrees that Italians, who up to November 3rd, 1918, belonged to former Austro-Hungarian territory, which in virtue of the Treaties of Peace with Austria and with Hungary, and of the present treaty, is recognized as forming part of the S.C.S. Kingdom, will have the right of opting for Italian citizenship within a year from the entry into force of the present treaty ; and exempts them from the obligation of transferring their domicile outside the territory of the above-mentioned Kingdom. They will preserve the free use of their own language and the free practice of their own religion, with all the attributes connoted by such freedom.

(3) Degrees and other university diplomas already obtained by the citizens of the S.C.S. Kingdom in Universities or any of the other higher educational institutions of Italy, will be recognized by the S.C.S. Government as valid in its territory, and will confer professional rights equal to those derived from degrees and diplomas obtained in the higher Universities of the S.C.S. Kingdom.

The validity of the higher studies completed by S.C.S. subjects in Italy will form the subject of a further agreement.

Article VIII. In the interests of the good intellectual and moral relations between the two peoples, the two Governments will as soon as possible establish a convention with the object of intensifying the intimate reciprocal development of the cultural relations between the two countries.

Article IX. The present Treaty is drawn up in duplicate : one text in Italian and one in Serbo-Croat. Should there be any divergence

between the two, the text to be followed will be that in Italian as the language known to all the plenipotentiaries.

RAPALLO,

November 12th, 1920.

Signed

GIOVANNI GIOLITTI,
CARLO SFORZA,
IVANOE BONOMI,
MILENKO R. VESNITCH,
ANTE TRUMBIĆ,
COSTA STOIANOVITCH.

APPENDIX IV

THE MINORITY TREATIES

TREATY OF PEACE BETWEEN THE UNITED STATES OF AMERICA, THE BRITISH EMPIRE, FRANCE, ITALY, AND JAPAN, AND POLAND¹

Signed at Versailles, June 28, 1919.

Letter addressed to M. Paderewski by the President of the Conference transmitting to him the Treaty to be signed by Poland under Article 93 of the Treaty of Peace with Germany.

SIR,

Paris, June 24, 1919.

ON behalf of the Supreme Council of the Principal Allied and Associated Powers, I have the honour to communicate to you herewith in its final form the text of the Treaty which, in accordance with Article 93 of the Treaty of Peace with Germany, Poland will be asked to sign on the occasion of the confirmation of her recognition as an independent State and of the transference to her of the territories included in the former German Empire which are assigned to her by the said Treaty. The principal provisions were communicated to the Polish Delegation in Paris in May last, and were subsequently communicated direct to the Polish Government through the French Minister at Warsaw. The Council have since had the advantage of the suggestions which you were good enough to convey to them in your memorandum of the 16th June, and as the result of a study of these suggestions modifications have been introduced in the text of the Treaty. The Council believe that it will be found that by these modifica-

¹ Treaty Series (1919), No. 8, Cmd. 223. NOTE.—This Treaty came into force 10th January 1920. Cf. p. 166.

tions the principal points to which attention was drawn in your memorandum have, in so far as they relate to specific provisions of the Treaty, been adequately covered.

In formally communicating to you the final decision of the Principal Allied and Associated Powers in this matter, I should desire to take this opportunity of explaining in a more formal manner than has hitherto been done the considerations by which the Principal Allied and Associated Powers have been guided in dealing with the question.

1. In the first place, I would point out that this Treaty does not constitute any fresh departure. It has for long been the established procedure of the public law of Europe that when a State is created, or even when large accessions of territory are made to an established State, the joint and formal recognition by the Great Powers should be accompanied by the requirement that such State should, in the form of a binding international convention, undertake to comply with certain principles of government. This principle, for which there are numerous other precedents, received the most explicit sanction when, at the last great assembly of European Powers—the Congress of Berlin—the sovereignty and independence of Serbia, Montenegro, and Roumania were recognised. It is desirable to recall the words used on this occasion by the British, French, Italian, and German Plenipotentiaries, as recorded in the Protocol of the 28th June, 1878 :

‘ Lord Salisbury recognises the independence of Serbia, but is of opinion that it would be desirable to stipulate in the Principality the great principle of religious liberty.

* * * * *

‘ Mr. Waddington believes that it is important to take advantage of this solemn opportunity to cause the principles of religious liberty to be affirmed by the representatives of Europe. His Excellency adds that Serbia, who claims to enter the European family on the same basis as other States, must previously recognise the principles which are the basis of social organisation in all States of Europe and accept them as a necessary condition of the favour which she asks for.

* * * * *

‘ Prince Bismarck, associating himself with the French proposal, declares that the assent of Germany is always assured to any motion favourable to religious liberty.

‘ Count de Launay says that, in the name of Italy, he desires to adhere to the principle of religious liberty, which forms one of the essential bases of the institutions in his country, and that he associates himself with the declarations made on this subject by Germany, France, and Great Britain.

‘ Count Andrassy expresses himself to the same effect, and the Ottoman Plenipotentiaries raise no objection.

‘ Prince Bismarck, after having summed up the results of the vote, declares that Germany admits the independence of Serbia, but on condition that religious liberty will be recognised in the Principality. His Serene Highness adds that the Drafting Committee, when they formulate this decision, will affirm the connection

established by the Conference between the proclamation of Serbian independence and the recognition of religious liberty.'

2. The Principal Allied and Associated Powers are of opinion that they would be false to the responsibility which rests upon them if on this occasion they departed from what has become an established tradition. In this connection I must also recall to your consideration the fact that it is to the endeavours and sacrifices of the Powers in whose name I am addressing you that the Polish nation owes the recovery of its independence. It is by their decision that Polish sovereignty is being re-established over the territories in question and that the inhabitants of these territories are being incorporated in the Polish nation. It is on the support which the resources of these Powers will afford to the League of Nations that for the future Poland will to a large extent depend for the secure possession of these territories. There rests, therefore, upon these Powers an obligation, which they cannot evade, to secure in the most permanent and solemn form guarantees for certain essential rights which will afford to the inhabitants the necessary protection whatever changes may take place in the internal constitution of the Polish State.

It is in accordance with this obligation that Clause 93 was inserted in the Treaty of Peace with Germany. This clause relates only to Poland, but a similar clause applies the same principles to Czecho-Slovakia, and other clauses have been inserted in the Treaty of Peace with Austria and will be inserted in those with Hungary and with Bulgaria, under which similar obligations will be undertaken by other States, which under those Treaties receive large accessions of territory.

The consideration of these facts will be sufficient to show that by the requirement addressed to Poland at the time when it receives in the most solemn manner the joint recognition of the re-establishment of its sovereignty and independence and when large accessions of territory are being assigned to it, no doubt is thrown upon the sincerity of the desire of the Polish Government and the Polish nation to maintain the general principles of justice and liberty. Any such doubt would be far from the intention of the Principal Allied and Associated Powers.

3. It is indeed true that the new Treaty differs in form from earlier Conventions dealing with similar matters. The change of form is a necessary consequence and an essential part of the new system of international relations which is now being built up by the establishment of the League of Nations. Under the older system the guarantee for the execution of similar provisions was vested in the Great Powers. Experience has shown that this was in practice ineffective, and it was also open to the criticism that it might give to the Great Powers, either individually or in combination, a right to interfere in the internal constitution of the States affected which could be used for political purposes. Under the new system the guarantee is entrusted to the League of Nations. The clauses dealing with this guarantee have been carefully drafted so as to make it clear that Poland will not be in any way under the tutelage of those Powers who are signatories to the Treaty.

I should desire, moreover, to point out to you that provision has been inserted in the Treaty by which disputes arising out of its pro-

visions may be brought before the Court of the League of Nations. In this way differences which might arise will be removed from the political sphere and placed in the hands of a judicial court, and it is hoped that thereby an impartial decision will be facilitated, while at the same time any danger of political interference by the Powers in the internal affairs of Poland will be avoided.

4. The particular provisions to which Poland and the other States will be asked to adhere differ to some extent from those which were imposed on the new States at the Congress of Berlin. But the obligations imposed upon new States seeking recognition have at all times varied with the particular circumstances. The Kingdom of the United Netherlands in 1814 formally undertook precise obligations with regard to the Belgian provinces at that time annexed to the kingdom which formed an important restriction on the unlimited exercise of its sovereignty. It was determined at the establishment of the Kingdom of Greece that the Government of that State should take a particular form, viz., it should be both monarchical and constitutional; when Thessaly was annexed to Greece, it was stipulated that the lives, property, honour, religion and customs of those of the inhabitants of the localities ceded to Greece who remained under the Hellenic administration should be scrupulously respected, and that they should enjoy exactly the same civil and political rights as Hellenic subjects of origin. In addition, very precise stipulations were inserted safeguarding the interests of the Mohammedan population of these territories.

The situation with which the Powers have now to deal is new, and experience has shown that new provisions are necessary. The territories now being transferred both to Poland and to other States inevitably include a large population speaking languages and belonging to races different from that of the people with whom they will be incorporated. Unfortunately, the races have been estranged by long years of bitter hostility. It is believed that these populations will be more easily reconciled to their new position if they know that from the very beginning they have assured protection and adequate guarantees against any danger of unjust treatment or oppression. The very knowledge that these guarantees exist will, it is hoped, materially help the reconciliation which all desire, and will indeed do much to prevent the necessity of its enforcement.

5. To turn to the individual clauses of the present Treaty. Article 2 guarantees to all inhabitants those elementary rights, which are, as a matter of fact, secured in every civilised State. Clauses 3 to 6 are designed to insure that all the genuine residents in the territories now transferred to Polish sovereignty shall in fact be assured of the full privileges of citizenship. Articles 7 and 8, which are in accordance with precedent, provide against any discrimination against those Polish citizens who by their religion, their language, or their race, differ from the large mass of the Polish population. It is understood that, far from raising any objection to the matter of these articles, the Polish Government have already, of their own accord, declared their firm intention of basing their institutions on the cardinal principles enunciated therein.

The following articles are of rather a different nature in that they provide more special privileges to certain groups of these minorities. In the final revision of these latter articles, the Powers have been impressed by the suggestions made in your memorandum of the 16th June, and the articles have in consequence been subjected to some material modifications. In the final text of the Treaty it has been made clear that the special privileges accorded in Article 9 are extended to Polish citizens of German speech only in such parts of Poland as are, by the Treaty with Germany, transferred from Germany to Poland. Germans in other parts of Poland will be unable under this article to claim to avail themselves of these privileges. They will therefore in this matter be dependent solely on the generosity of the Polish Government, and will in fact be in the same position as German citizens of Polish speech in Germany.

6. Clauses 10 and 12 deal specifically with the Jewish citizens of Poland. The information at the disposal of the Principal Allied and Associated Powers as to the existing relations between the Jews and the other Polish citizens has led them to the conclusion that, in view of the historical development of the Jewish question and the great animosity aroused by it, special protection is necessary for the Jews in Poland. These clauses have been limited to the minimum which seems necessary under the circumstances of the present day, viz. the maintenance of Jewish schools and the protection of the Jews in the religious observance of their Sabbath. It is believed that these stipulations will not create any obstacle to the political unity of Poland. They do not constitute any recognition of the Jews as a separate political community within the Polish State. The educational provisions contain nothing beyond what is in fact provided in the educational institutions of many highly organized modern States. There is nothing inconsistent with the sovereignty of the State in recognising and supporting schools in which children shall be brought up in the religious influences to which they are accustomed in their home. Ample safeguards against any use of non-Polish languages to encourage a spirit of national separation have been provided in the express acknowledgment that the provisions of this Treaty do not prevent the Polish State from making the Polish language obligatory in all its schools and educational institutions.

7. The economic clauses contained in Chapter II of the Treaty have been drafted with the view of facilitating the establishment of equitable commercial relations between independent Poland and the other Allied and Associated Powers. They include provisions for reciprocal diplomatic and consular representation, for freedom of transit, and for the adherence of the Polish Government to certain international conventions.

In these clauses the Principal Allied and Associated Powers have not been actuated by any desire to secure for themselves special commercial advantages. It will be observed that the rights accorded to them by these clauses are extended equally to all States who are members of the League of Nations. Some of the provisions are of a transitional character, and have been introduced only with the necessary object of bridging over the short interval which must elapse before general

regulations can be established by Poland herself or by commercial treaties or general conventions approved by the League of Nations.

In conclusion, I am to express to you on behalf of the Allied and Associated Powers the very sincere satisfaction which they feel at the re-establishment of Poland as an independent State. They cordially welcome the Polish nation on its re-entry into the family of nations. They recall the great services which the ancient Kingdom of Poland rendered to Europe both in public affairs and by its contributions to the progress of mankind which is the common work of all civilized nations. They believe that the voice of Poland will add to the wisdom of their common deliberations in the cause of peace and harmony, that its influence will be used to further the spirit of liberty and justice, both in internal and external affairs, and that thereby it will help in the work of reconciliation between the nations which, with the conclusion of Peace, will be the common task of humanity.

The Treaty by which Poland solemnly declares before the world her determination to maintain the principles of justice, liberty, and toleration, which were the guiding spirit of the ancient Kingdom of Poland, and also receives in its most explicit and binding form the confirmation of her restoration to the family of independent nations, will be signed by Poland and by the Principal Allied and Associated Powers on the occasion of, and at the same time as, the signature of the Treaty of Peace with Germany.

I have, &c.

CLEMENCEAU.

The UNITED STATES OF AMERICA, the BRITISH EMPIRE, FRANCE, ITALY and JAPAN,

The Principal Allied and Associated Powers,

on the one hand ;

And POLAND,

on the other hand ;

Whereas the Allied and Associated Powers have by the success of their arms restored to the Polish nation the independence of which it had been unjustly deprived ; and

Whereas by the proclamation of March 30, 1917, the Government of Russia assented to the re-establishment of an independent Polish State ; and

Whereas the Polish State, which now in fact exercises sovereignty over those portions of the former Russian Empire which are inhabited by a majority of Poles, has already been recognised as a sovereign and independent State by the Principal Allied and Associated Powers ; and

Whereas under the Treaty of Peace concluded with Germany by the Allied and Associated Powers, a Treaty of which Poland is a signatory, certain portions of the former German Empire will be incorporated in the territory of Poland ; and

Whereas under the terms of the said Treaty of Peace, the boundaries of Poland not already laid down are to be subsequently determined by the Principal Allied and Associated Powers ;

The United States of America, the British Empire, France, Italy and Japan, on the one hand, confirming their recognition of the Polish State, constituted within the said limits as a sovereign and independent member of the Family of Nations, and being anxious to ensure the execution of the provisions of Article 93 of the said Treaty of Peace with Germany ;

Poland, on the other hand, desiring to conform her institutions to the principles of liberty and justice, and to give a sure guarantee to the inhabitants of the territory over which she has assumed sovereignty ;

For this purpose the HIGH CONTRACTING PARTIES represented as follows :

THE PRESIDENT OF THE UNITED STATES OF AMERICA, by :

The Honourable Woodrow WILSON, PRESIDENT OF THE UNITED STATES, acting in his own name and by his own proper authority ;

The Honourable Robert LANSING, Secretary of State ;

The Honourable Henry WHITE, formerly Ambassador Extraordinary and Plenipotentiary of the United States at Rome and Paris ;

The Honourable Edward M. HOUSE ;

General Tasker H. BLISS, Military Representative of the United States on the Supreme War Council ;

HIS MAJESTY THE KING OF THE UNITED KINGDOM OF GREAT BRITAIN AND IRELAND AND OF THE BRITISH DOMINIONS BEYOND THE SEAS, EMPEROR OF INDIA, by :

The Right Honourable David LLOYD GEORGE, M.P., First Lord of His Treasury and Prime Minister ;

The Right Honourable Andrew BONAR LAW, M.P., His Lord Privy Seal ;

The Right Honourable Viscount MILNER, G.C.B., G.C.M.G., His Secretary of State for the Colonies ;

The Right Honourable Arthur James BALFOUR, O.M., M.P., His Secretary of State for Foreign Affairs ;

The Right Honourable George Nicoll BARNES, M.P., Minister without portfolio ;

And

for the DOMINION OF CANADA, by :

The Honourable Charles Joseph DOHERTY, Minister of Justice ;

The Honourable Arthur Lewis SIFTON, Minister of Customs ;

for the COMMONWEALTH OF AUSTRALIA, by :

The Right Honourable William Morris HUGHES, Attorney General and Prime Minister ;

The Right Honourable Sir Joseph COOK, G.C.M.G., Minister for the Navy ;

for the UNION OF SOUTH AFRICA, by :

General the Right Honourable Louis BOTHA, Minister of Native Affairs and Prime Minister ;

Lieutenant-General the Right Honourable Jan Christiaan SMUTS, K.C., Minister of Defence ;

for the DOMINION OF NEW ZEALAND, by :

The Right Honourable William Ferguson MASSEY, Minister of Labour and Prime Minister ;

for INDIA, by :

The Right Honourable Edwin Samuel MONTAGU, M.P., His Secretary of State for India ;

Major-General His Highness Maharaja Sir Ganga Singh Bahadur, Maharaja of BIKANER, G.C.S.I., G.C.I.E., G.C.V.O., K.C.B., A.D.C. ;

THE PRESIDENT OF THE FRENCH REPUBLIC, by :

Mr. Georges CLEMENCEAU, President of the Council, Minister of War ;

Mr. Stéphen PICHON, Minister of Foreign Affairs ;

Mr. Louis Lucien KLOTZ, Minister of Finance ;

Mr. André TARDIEU, Commissary General for Franco-American Military Affairs ;

Mr. Jules CAMBON, Ambassador of France ;

HIS MAJESTY THE KING OF ITALY, by :

Baron S. SONNINO, Deputy ;

Marquis G. IMPERIALI, Senator, Ambassador of His Majesty the King of Italy at London ;

Mr. S. CRESPI, Deputy ;

HIS MAJESTY THE EMPEROR OF JAPAN, by :

Marquis SAÏONZI, formerly President of the Council of Ministers ;

Baron MAKINO, formerly Minister of Foreign Affairs, Member of the Diplomatic Council ;

Viscount CHINDA, Ambassador Extraordinary and Plenipotentiary of H.M. the Emperor of Japan at London ;

Mr. K. MATSUI, Ambassador Extraordinary and Plenipotentiary of H.M. the Emperor of Japan at Paris ;

Mr. H. IJUN, Ambassador Extraordinary and Plenipotentiary of H.M. the Emperor of Japan at Rome ;

THE PRESIDENT OF THE POLISH REPUBLIC, by :

Mr. Ignace J. PADEREWSKI, President of the Council of Ministers, Minister of Foreign Affairs ;

Mr. Roman DMOWSKI, President of the Polish National Committee ;

After having exchanged their full powers, found in good and due form, have agreed as follows :

CHAPTER I

ARTICLE 1.

Poland undertakes that the stipulations contained in Articles 2 to 8 of this Chapter shall be recognised as fundamental laws, and that no law, regulation or official action shall conflict or interfere with these stipulations, nor shall any law, regulation or official action prevail over them.

ARTICLE 2.

Poland undertakes to assure full and complete protection of life

and liberty to all inhabitants of Poland without distinction of birth, nationality, language, race or religion.

• All inhabitants of Poland shall be entitled to the free exercise, whether public or private, of any creed, religion or belief, whose practices are not inconsistent with public order or public morals.

ARTICLE 3.

Poland admits and declares to be Polish nationals *ipso facto* and without the requirement of any formality German, Austrian, Hungarian or Russian nationals habitually resident at the date of the coming into force of the present Treaty in territory which is or may be recognised as forming part of Poland, but subject to any provisions in the Treaties of Peace with Germany or Austria respectively relating to persons who became resident in such territory after a specified date.

Nevertheless, the persons referred to above who are over eighteen years of age will be entitled under the conditions contained in the said Treaties to opt for any other nationality which may be open to them. Option by a husband will cover his wife and option by parents will cover their children under eighteen years of age.

Persons who have exercised the above right to opt must, except where it is otherwise provided in the Treaty of Peace with Germany, transfer within the succeeding twelve months their place of residence to the State for which they have opted. They will be entitled to retain their immovable property in Polish territory. They may carry with them their movable property of every description. No export duties may be imposed upon them in connection with the removal of such property.

ARTICLE 4.

Poland admits and declares to be Polish nationals *ipso facto* and without the requirement of any formality persons of German, Austrian, Hungarian or Russian nationality who were born in the said territory of parents habitually resident there, even if at the date of the coming into force of the present Treaty they are not themselves habitually resident there.

Nevertheless, within two years after the coming into force of the present Treaty, these persons may make a declaration before the competent Polish authorities in the country in which they are resident, stating that they abandon Polish nationality, and they will then cease to be considered as Polish nationals. In this connection a declaration by a husband will cover his wife, and a declaration by parents will cover their children under eighteen years of age.

ARTICLE 5.

Poland undertakes to put no hindrance in the way of the exercise of the right which the persons concerned have, under the Treaties concluded or to be concluded by the Allied and Associated Powers with Germany, Austria, Hungary or Russia, to choose whether or not they will acquire Polish nationality.

ARTICLE 6.

All persons born in Polish territory who are not born nationals of another State shall *ipso facto* become Polish nationals.

ARTICLE 7.

All Polish nationals shall be equal before the law and shall enjoy the same civil and political rights without distinction as to race, language or religion.

Differences of religion, creed or confession shall not prejudice any Polish national in matters relating to the enjoyment of civil or political rights, as for instance admission to public employments, functions and honours, or the exercise of professions and industries.

No restriction shall be imposed on the free use by any Polish national of any language in private intercourse, in commerce, in religion, in the press or in publications of any kind, or at public meetings.

Notwithstanding any establishment by the Polish Government of an official language, adequate facilities shall be given to Polish nationals of non-Polish speech for the use of their language, either orally or in writing, before the courts.

ARTICLE 8.

Polish nationals who belong to racial, religious or linguistic minorities shall enjoy the same treatment and security in law and in fact as the other Polish nationals. In particular they shall have an equal right to establish, manage, and control at their own expense charitable, religious and social institutions, schools and other educational establishments, with the right to use their own language and to exercise their religion freely therein.

ARTICLE 9.

Poland will provide in the public educational system in towns and districts in which a considerable proportion of Polish nationals of other than Polish speech are residents adequate facilities for ensuring that in the primary schools the instruction shall be given to the children of such Polish nationals through the medium of their own language. This provision shall not prevent the Polish Government from making the teaching of the Polish language obligatory in the said schools.

In towns and districts where there is a considerable proportion of Polish nationals belonging to racial, religious or linguistic minorities, these minorities shall be assured an equitable share in the enjoyment and application of the sums which may be provided out of public funds under the State, municipal or other budget, for educational, religious or charitable purposes.

) The provisions of this Article shall apply to Polish citizens of German speech only in that part of Poland which was German territory on August 1, 1914.

ARTICLE 10.

Educational Committees appointed locally by the Jewish communities of Poland will, subject to the general control of the State, provide for the distribution of the proportional share of public funds

allocated to Jewish schools in accordance with Article 9, and for the organisation and management of these schools.

The provisions of Article 9 concerning the use of languages in schools shall apply to these schools.

ARTICLE 11.

Jews shall not be compelled to perform any act which constitutes a violation of their Sabbath, nor shall they be placed under any disability by reason of their refusal to attend courts of law or to perform any legal business on their Sabbath. This provision however shall not exempt Jews from such obligations as shall be imposed upon all other Polish citizens for the necessary purposes of military service, national defence or the preservation of public order.

Poland declares her intention to refrain from ordering or permitting elections, whether general or local, to be held on a Saturday, nor will registration for electoral or other purposes be compelled to be performed on a Saturday.

ARTICLE 12.

Poland agrees that the stipulations in the foregoing Articles, so far as they affect persons belonging to racial, religious or linguistic minorities, constitute obligations of international concern and shall be placed under the guarantee of the League of Nations. They shall not be modified without the assent of a majority of the Council of the League of Nations. The United States, the British Empire, France, Italy and Japan hereby agree not to withhold their assent from any modification in these Articles which is in due form assented to by a majority of the Council of the League of Nations.

Poland agrees that any Member of the Council of the League of Nations shall have the right to bring to the attention of the Council any infraction, or any danger of infraction, of any of these obligations, and that the Council may thereupon take such action and give such direction as it may deem proper and effective in the circumstances.

Poland further agrees that any difference of opinion as to questions of law or fact arising out of these Articles between the Polish Government and any one of the Principal Allied and Associated Powers or any other Power, a Member of the Council of the League of Nations, shall be held to be a dispute of an international character under Article 14 of the Covenant of the League of Nations. The Polish Government hereby consents that any such dispute shall, if the other party thereto demands, be referred to the Permanent Court of International Justice. The decision of the Permanent Court shall be final and shall have the same force and effect as an award under Article 18 of the Covenant.

CHAPTER II

ARTICLE 13.

Each of the Principal Allied and Associated Powers on the one part and Poland on the other shall be at liberty to appoint diplomatic representatives to reside in their respective capitals, as well as Consuls-

General, Consuls, Vice-Consuls, and Consular agents to reside in the towns and ports of their respective territories.

Consuls-General, Consuls, Vice-Consuls and Consular agents, however, shall not enter upon their duties until they have been admitted in the usual manner by the Government in the territory of which they are stationed.

Consuls-General, Consuls, Vice-Consuls and Consular agents shall enjoy all the facilities, privileges, exemptions and immunities of every kind which are or shall be granted to consular officers of the most favoured nation.

ARTICLE 14.

Pending the establishment of an import tariff by the Polish Government, goods originating in the Allied and Associated States shall not be subject to any higher duties on importation into Poland than the most favourable rates of duty applicable to goods of the same kind under either the German, Austro-Hungarian or Russian Customs Tariffs on July 1, 1914.

ARTICLE 15.

Poland undertakes to make no treaty, convention or arrangement and to take no other action which will prevent her from joining in any general agreement for the equitable treatment of the commerce of other States that may be concluded under the auspices of the League of Nations within five years from the coming into force of the present Treaty.

Poland also undertakes to extend to all the Allied and Associated States any favours or privileges in customs matters which she may grant during the same period of five years to any State with which since August, 1914, the Allies have been at war, or to any State which may have concluded with Austria special customs arrangements as provided for in the Treaty of Peace to be concluded with Austria.

ARTICLE 16.

Pending the conclusion of the general agreement referred to above, Poland undertakes to treat on the same footing as national vessels or vessels of the most favoured nation the vessels of all the Allied and Associated States which accord similar treatment to Polish vessels.

By way of exception from this provision, the right of Poland or of any other Allied or Associated State to confine her maritime coasting trade to national vessels is expressly reserved.

ARTICLE 17.

Pending the conclusion under the auspices of the League of Nations of a general Convention to secure and maintain freedom of communications and of transit, Poland undertakes to accord freedom of transit to persons, goods, vessels, carriages, wagons and mails in transit to or from any Allied or Associated State over Polish territory, including territorial waters, and to treat them at least as favourably as the persons, goods, vessels, carriages, wagons and mails respectively of Polish or of any other more favoured nationality, origin, importation

or ownership, as regards facilities, charges, restrictions, and all other matters.

• All charges imposed in Poland on such traffic in transit shall be reasonable having regard to the conditions of the traffic. Goods in transit shall be exempt from all customs or other duties. Tariffs for transit traffic across Poland and tariffs between Poland and any Allied or Associated Power involving through tickets or waybills shall be established at the request of that Allied or Associated Power.

Freedom of transit will extend to postal, telegraphic and telephonic services.

It is agreed that no Allied or Associated Power can claim the benefit of these provisions on behalf of any part of its territory in which reciprocal treatment is not accorded in respect of the same subject matter.

If within a period of five years from the coming into force of the present Treaty no general Convention as aforesaid shall have been concluded under the auspices of the League of Nations, Poland shall be at liberty at any time thereafter to give twelve months' notice to the Secretary-General of the League of Nations to terminate the obligations of this Article.

ARTICLE 18.

Pending the conclusion of a general Convention on the International Régime of waterways, Poland undertakes to apply to the river system of the Vistula (including the Bug and the Narev) the régime applicable to International Waterways set out in Articles 332 to 337 of the Treaty of Peace with Germany.

ARTICLE 19.

Poland undertakes to adhere within twelve months of the coming into force of the present Treaty to the International Conventions specified in Annex I.

Poland undertakes to adhere to any new convention, concluded with the approval of the Council of the League of Nations within five years of the coming into force of the present Treaty, to replace any of the International instruments specified in Annex I.

The Polish Government undertakes within twelve months to notify the Secretary General of the League of Nations whether or not Poland desires to adhere to either or both of the International Conventions specified in Annex II.

Until Poland has adhered to the two Conventions last specified in Annex I, she agrees, on condition of reciprocity, to protect by effective measures the industrial, literary and artistic property of nationals of the Allied and Associated States. In the case of any Allied or Associated State not adhering to the said Conventions Poland agrees to continue to afford such effective protection on the same conditions until the conclusion of a special bi-lateral treaty or agreement for that purpose with such Allied or Associated State.

Pending her adhesion to the other Conventions specified in Annex I, Poland will secure to the nationals of the Allied and Associated Powers the advantages to which they would be entitled under the said Conventions.

Poland further agrees, on condition of reciprocity, to recognise and

protect all rights in any industrial, literary or artistic property belonging to the nationals of the Allied and Associated States in force, or which but for the war would have been in force, in any part of her territories before transfer to Poland. For such purpose she will accord the extensions of time agreed to in Articles 307 and 308 of the Treaty with Germany.

Annex I

TELEGRAPHIC AND RADIO-TELEGRAPHIC CONVENTIONS

International Telegraphic Convention signed at St. Petersburg, July 10/22, 1875.

Regulations and Tariffs drawn up by the International Telegraph Conference, signed at Lisbon, June 11, 1908.

International Radio-Telegraphic Convention, July 5, 1912.

RAILWAY CONVENTIONS

Convention and arrangements signed at Berlin on October 14, 1890, September 20, 1893, July 16, 1895, June 16, 1898, and September 19, 1906, and the current supplementary provisions made under those Conventions.

Agreement of May 15, 1886, regarding the sealing of railway trucks subject to customs inspection, and Protocol of May 18, 1907.

Agreement of May 15, 1886, regarding the technical standardisation of railways, as modified on May 18, 1907.

SANITARY CONVENTION

Convention of December 8, 1903.

OTHER CONVENTIONS

Convention of September 26, 1906, for the suppression of night work for women.

Convention of September 26, 1906, for the suppression of the use of white phosphorus in the manufacture of matches.

Convention of May 18, 1904, and May 4, 1910, regarding the suppression of the White Slave Traffic.

Convention of May 4, 1910, regarding the suppression of obscene publications.

International Convention of Paris of March 20, 1883, as revised at Washington in 1911, for the protection of industrial property.

International Convention of Berne of September 9, 1886, revised at Berlin on November 13, 1908, and completed by the Additional Protocol signed at Berne on March 20, 1914, for the Protection of Literary and Artistic Work.

Annex II

Agreement of Madrid of April 14, 1891, for the Prevention of False Indications of origin on goods, revised at Washington in 1911, and

Agreement of Madrid of April 14, 1891, for the international registration of trade marks, revised at Washington in 1911.

ARTICLE 20.

All rights and privileges accorded by the foregoing Articles to the Allied and Associated States shall be accorded equally to all States members of the League of Nations.

ARTICLE 21.

Poland agrees to assume responsibility for such proportion of the Russian public debt and other Russian public liabilities of any kind as may be assigned to her under a special convention between the Principal Allied and Associated Powers on the one hand and Poland on the other, to be prepared by a Commission appointed by the above States. In the event of the Commission not arriving at an agreement the point at issue shall be referred for immediate arbitration to the League of Nations.

The present Treaty, of which the French and English texts are both authentic, shall be ratified. It shall come into force at the same time as the Treaty of Peace with Germany.

The deposit of ratifications shall be made at Paris.

Powers of which the seat of the Government is outside Europe will be entitled merely to inform the Government of the French Republic through their diplomatic representative at Paris that their ratification has been given; in that case they must transmit the instrument of ratification as soon as possible.

A procès-verbal of the deposit of ratifications will be drawn up.

The French Government will transmit to all the signatory Powers a certified copy of the procès-verbal of the deposit of ratifications.

In faith whereof the above-named Plenipotentiaries have signed the present Treaty.

Done at Versailles, the twenty-eighth day of June, one thousand nine hundred and nineteen, in a single copy which will remain deposited in the archives of the French Republic, and of which authenticated copies will be transmitted to each of the Signatory Powers.

(No signatures given.)

II

TREATY BETWEEN THE PRINCIPAL ALLIED AND ASSOCIATED POWERS AND THE SERB-CROAT-SLOVENE STATE¹

Signed at Saint-Germain-en-Laye, September 10, 1919.

THE UNITED STATES OF AMERICA, THE BRITISH EMPIRE, FRANCE, ITALY, AND JAPAN,
the Principal Allied and Associated Powers,

on the one hand;

And THE SERB-CROAT-SLOVENE STATE,

on the other hand;

Whereas since the commencement of the year 1913 extensive territories had been added to the Kingdom of Serbia, and

Whereas the Serb, Croat and Slovene peoples of the former Austro-

¹ Treaty Series (1919), No. 17, Cmd. 461. NOTE.—This Treaty came into force before end of 1920. Cf. p. 166.

Hungarian Monarchy have of their own free will determined to unite with Serbia in a permanent union for the purpose of forming a single sovereign independent State under the title of the Kingdom of the Serbs, Croats and Slovenes, and

Whereas the Prince Regent of Serbia and the Serbian Government have agreed to this union, and in consequence the Kingdom of the Serbs, Croats and Slovenes has been constituted and has assumed sovereignty over the territories inhabited by these peoples, and

Whereas it is necessary to regulate certain matters of international concern arising out of the said additions of territory and of this union, and

Whereas it is desired to free Serbia from certain obligations which she undertook by the Treaty of Berlin of 1878 to certain Powers and to substitute for them obligations to the League of Nations, and

Whereas the Serb-Croat-Slovene State of its own free will desires to give to the populations of all territories included within the State, of whatever race, language or religion they may be, full guarantees that they shall continue to be governed in accordance with the principles of liberty and justice ;

For this purpose the High Contracting Parties have appointed as their Plenipotentiaries :

THE PRESIDENT OF THE UNITED STATES OF AMERICA :

The Honourable Frank Lyon POLK, Under-Secretary of State ;

The Honourable Henry WHITE, formerly Ambassador Extraordinary and Plenipotentiary of the United States at Rome and Paris ;

General Tasker H. BLISS, Military Representative of the United States on the Supreme War Council ;

HIS MAJESTY THE KING OF THE UNITED KINGDOM OF GREAT BRITAIN AND IRELAND AND OF THE BRITISH DOMINIONS BEYOND THE SEAS, EMPEROR OF INDIA :

The Right Honourable Arthur James BALFOUR, O.M., M.P.,
His Secretary of State for Foreign Affairs ;

The Right Honourable Andrew BONAR LAW, M.P., His Lord
Privy Seal ;

The Right Honourable Viscount MILNER, G.C.B., G.C.M.G.,
His Secretary of State for the Colonies ;

The Right Honourable George Nicoll BARNES, M.P., Minister
without portfolio ;

And

for the DOMINION of CANADA :

The Honourable Sir Albert Edward KEMP, K.C.M.G., Minister
of the Overseas Forces ;

for the COMMONWEALTH of AUSTRALIA :

The Honourable George Foster PEARCE, Minister of Defence ;

for the UNION of SOUTH AFRICA :

The Right Honourable Viscount MILNER, G.C.B., G.C.M.G. ;

for the DOMINION of NEW ZEALAND :

The Honourable Sir Thomas MACKENZIE, K.C.M.G., High Commissioner for New Zealand in the United Kingdom ;

for INDIA :

The Right Honourable Baron SINHA, K.C., Under-Secretary of State for India ;

THE PRESIDENT OF THE FRENCH REPUBLIC :

Mr. Georges CLEMENCEAU, President of the Council, Minister of War ;

Mr. Stephen PICHON, Minister for Foreign Affairs ;

Mr. Louis-Lucien KLOTZ, Minister of Finance ;

Mr. André TARDIEU, Commissary General for Franco-American Military Affairs ;

Mr. Jules CAMBON, Ambassador of France ;

HIS MAJESTY THE KING OF ITALY :

The Honourable Tommaso TITTONI, Senator of the Kingdom, Minister for Foreign Affairs ;

The Honourable Vittorio SCIALOJA, Senator of the Kingdom ;

The Honourable Maggiorino FERRARIS, Senator of the Kingdom ;

The Honourable Guglielmo MARCONI, Senator of the Kingdom ;

The Honourable Silvio CRESPI, Deputy ;

HIS MAJESTY THE EMPEROR OF JAPAN :

Viscount CHINDA, Ambassador Extraordinary and Plenipotentiary of H.M. the Emperor of Japan at London ;

Mr. K. MATSUI, Ambassador Extraordinary and Plenipotentiary of H.M. the Emperor of Japan at Paris ;

Mr. H. IJUI, Ambassador Extraordinary and Plenipotentiary of H.M. the Emperor of Japan at Rome ;

HIS MAJESTY THE KING OF THE SERBS, THE CROATS, AND THE SLOVENES :

Mr. Nicholas P. PACHITCH, formerly President of the Council of Ministers ;

Mr. Ante TRUMBIĆ, Minister for Foreign Affairs ;

Mr. Ivan ZOLGER, Doctor of Law ;

Who, after having exchanged their full powers, found in good and due form, have agreed as follows :

The Principal Allied and Associated Powers, taking into consideration the obligations contracted under the present Treaty by the Serb-Croat-Slovene State, declare that the Serb-Croat-Slovene State is definitely discharged from the obligations undertaken in Article 35 of the Treaty of Berlin of July 13, 1878.

CHAPTER I

ARTICLE 1.

The Serb-Croat-Slovene State undertakes that the stipulations contained in Articles 2 to 8 of this Chapter shall be recognized as fundamental laws, and that no law, regulation or official action shall

conflict or interfere with these stipulations, nor shall any law, regulation or official action prevail over them.

ARTICLE 2.

The Serb-Croat-Slovene State undertakes to assure full and complete protection of life and liberty to all inhabitants of the Kingdom without distinction of birth, nationality, language, race or religion.

All inhabitants of the Kingdom of the Serbs, Croats and Slovenes shall be entitled to the free exercise, whether public or private, of any creed, religion or belief, whose practices are not inconsistent with public order or public morals.

ARTICLE 3.

Subject to the special provisions of the Treaties mentioned below the Serb-Croat-Slovene State admits and declares to be Serb-Croat-Slovene nationals *ipso facto* and without the requirements of any formality, Austrian, Hungarian or Bulgarian nationals habitually resident or possessing rights of citizenship (*pertinenza*, *Heimatsrecht*) as the case may be at the date of the coming into force of the present Treaty in territory which is or may be recognised as forming part of the Serb-Croat-Slovene State under the Treaties with Austria, Hungary or Bulgaria respectively, or under any Treaties which may be concluded for the purpose of completing the present settlement.

Nevertheless, the persons referred to above who are over eighteen years of age will be entitled under the conditions contained in the said Treaties to opt for any other nationality which may be open to them. Option by a husband will cover his wife and option by parents will cover their children under eighteen years of age.

Persons who have exercised the above right to opt must within the succeeding twelve months transfer their place of residence to the State for which they have opted. They will be entitled to retain their immovable property in the territory of the Serb-Croat-Slovene State. They may carry with them their movable property of every description. No export duties may be imposed upon them in connection with the removal of such property.

ARTICLE 4.

The Serb-Croat-Slovene State admits and declares to be Serb-Croat-Slovene nationals *ipso facto* and without the requirement of any formality persons of Austrian, Hungarian or Bulgarian nationality who were born in the said territory of parents habitually resident or possessing rights of citizenship (*pertinenza*, *Heimatsrecht*) as the case may be there, even if at the date of the coming into force of the present Treaty they are not themselves habitually resident or did not possess rights of citizenship there.

Nevertheless, within two years after the coming into force of the present Treaty, these persons may make a declaration before the competent Serb-Croat-Slovene authorities in the country in which they are resident, stating that they abandon Serb-Croat-Slovene nationality,

and they will then cease to be considered as Serb-Croat-Slovene nationals. In this connection a declaration by a husband will cover his wife, and a declaration by parents will cover their children under eighteen years of age.

ARTICLE 5.

The Serb-Croat-Slovene State undertakes to put no hindrance in the way of the exercise of the right which the persons concerned have, under the Treaties concluded or to be concluded by the Allied and Associated Powers with Austria, Bulgaria or Hungary, to choose whether or not they will acquire Serb-Croat-Slovene nationality.

ARTICLE 6.

All persons born in the territory of the Serb-Croat-Slovene State who are not born nationals of another State shall *ipso facto* become Serb-Croat-Slovene nationals.

ARTICLE 7.

All Serb-Croat-Slovene nationals shall be equal before the law and shall enjoy the same civil and political rights without distinction as to race, language or religion.

Difference of religion, creed or confession shall not prejudice any Serb-Croat-Slovene national in matters relating to the enjoyment of civil or political rights, as for instance admission to public employments, functions and honours, or the exercise of professions and industries.

No restriction shall be imposed on the free use by any Serb-Croat-Slovene national of any language in private intercourse, in commerce, in religion, in the press or in publications of any kind, or at public meetings.

Notwithstanding any establishment by the Serb-Croat-Slovene Government of an official language, adequate facilities shall be given to Serb-Croat-Slovene nationals of other speech than that of the official language for the use of their own language, either orally or in writing, before the courts.

ARTICLE 8.

Serb-Croat-Slovene nationals who belong to racial, religious or linguistic minorities shall enjoy the same treatment and security in law and in fact as the other Serb-Croat-Slovene nationals. In particular they shall have an equal right to establish, manage and control at their own expense charitable, religious and social institutions, schools and other educational establishments, with the right to use their own language and to exercise their religion freely therein.

ARTICLE 9.

The Serb-Croat-Slovene Government will provide in the public educational system in towns and districts in which a considerable proportion of Serb-Croat-Slovene nationals of other speech than that of the official language are resident adequate facilities for ensuring that in the primary schools the instruction shall be given to the children

of such Serb-Croat-Slovene nationals through the medium of their own language. This provision shall not prevent the Serb-Croat-Slovene Government from making the teaching of the official language obligatory in the said schools.

In towns and districts where there is a considerable proportion of Serb-Croat-Slovene nationals belonging to racial, religious or linguistic minorities, these minorities shall be assured an equitable share in the enjoyment and application of the sums which may be provided out of public funds under the State, municipal or other budget, for educational, religious or charitable purposes.

The provisions of the present Article apply only to territory transferred to Serbia or to the Kingdom of the Serbs, Croats and Slovenes since the 1st January, 1913.

ARTICLE 10.

The Serb-Croat-Slovene State agrees to grant to the Musulmans in the matter of family law and personal status provisions suitable for regulating these matters in accordance with Musulman usage.

The Serb-Croat-Slovene State shall take measures to assure the nomination of a Reiss-Ul-Ulema.

The Serb-Croat-Slovene State undertakes to ensure protection to the mosques, cemeteries and other Musulman religious establishments. Full recognition and facilities shall be assured to Musulman pious foundations (Wakfs) and religious and charitable establishments now existing, and the Serb-Croat-Slovene Government shall not refuse any of the necessary facilities for the creation of new religious and charitable establishments guaranteed to other private establishments of this nature.

ARTICLE 11.

The Serb-Croat-Slovene State agrees that the stipulations in the foregoing Articles, so far as they affect persons belonging to racial, religious or linguistic minorities, constitute obligations of international concern and shall be placed under the guarantee of the League of Nations. They shall not be modified without the consent of the Council of the League of Nations. The United States, the British Empire, France, Italy and Japan hereby agree not to withhold their assent from any modification in these Articles which is in due form assented to by a majority of the Council of the League of Nations.

The Serb-Croat-Slovene State agrees that any Member of the Council of the League of Nations shall have the right to bring to the attention of the Council any infraction, or any danger of infraction, of any of these obligations, and that the Council may thereupon take such action and give such directions as it may deem proper and effective in the circumstances.

The Serb-Croat-Slovene State further agrees that any difference of opinion as to questions of law or fact arising out of these Articles between the Serb-Croat-Slovene State and any one of the Principal Allied and Associated Powers or any other Power, a member of the Council of the League of Nations, shall be held to be a dispute of an

international character under Article 14 of the Covenant of the League of Nations. The Serb-Croat-Slovene State hereby consents that any such dispute shall, if the other party thereto demands, be referred to the Permanent Court of International Justice. The decision of the Permanent Court shall be final and shall have the same force and effect as an award under Article 18 of the Covenant.

CHAPTER II

ARTICLE 12.

Pending the conclusion of new treaties or conventions, all treaties, conventions, agreements and obligations between Serbia on the one hand, and any of the Principal Allied and Associated Powers on the other hand, which were in force on the 1st August, 1914, or which have since been entered into, shall *ipso facto* be binding upon the Serb-Croat-Slovene State.

ARTICLE 13.

The Serb-Croat-Slovene State undertakes to make no treaty, convention or arrangement and to take no other action which will prevent her from joining in any general convention for the equitable treatment of the commerce of other States that may be concluded under the auspices of the League of Nations within five years from the coming into force of the present Treaty.

The Serb-Croat-Slovene State also undertakes to extend to all the Allied and Associated Powers any favours or privileges in customs matters which it may grant during the same period of five years to any State with which since August 1914 the Allied and Associated Powers have been at war, or to any State which in virtue of Article 222 of the Treaty with Austria has special customs arrangements with such States.

ARTICLE 14.

Pending the conclusion of the general convention referred to above, the Serb-Croat-Slovene State undertakes to treat on the same footing as national vessels or vessels of the most favoured nation the vessels of all the Allied and Associated Powers which accord similar treatment to Serb-Croat-Slovene vessels. As an exception from this provision, the right of the Serb-Croat-Slovene State or of any other Allied or Associated Power to confine its maritime coasting trade to national vessels is expressly reserved. The Allied and Associated Powers further agree not to claim under this Article the benefit of agreements which the States obtaining territory formerly belonging to the Austro-Hungarian Monarchy may conclude as regards coasting traffic between the ports of the Adriatic Sea.

ARTICLE 15.

Pending the conclusion under the auspices of the League of Nations of a general convention to secure and maintain freedom of communica-

tions and of transit, the Serb-Croat-Slovene State undertakes to accord freedom of transit to persons, goods, vessels, carriages, wagons and mails in transit to or from any Allied or Associated State over Serb-Croat-Slovene territory, including territorial waters, and to treat them at least as favourably as Serb-Croat-Slovene persons, goods, vessels, carriages, wagons and mails respectively or those of any other more favoured nationality, origin, importation or ownership, as regards facilities, charges, restrictions and all other matters.

All charges imposed in the territory of the Serb-Croat-Slovene State on such traffic in transit shall be reasonable having regard to the conditions of the traffic. Goods in transit shall be exempt from all customs or other duties.

Tariffs for transit across the Serb-Croat-Slovene State and tariffs between the Serb-Croat-Slovene State and any Allied or Associated Power involving through tickets or waybills shall be established at the request of the Allied or Associated Power concerned.

Freedom of transit will extend to postal, telegraphic and telephonic services.

Provided that no Allied or Associated Power can claim the benefit of these provisions on behalf of any part of its territory in which reciprocal treatment is not accorded in respect of the same subject matter.

If within a period of five years from the coming into force of the present Treaty no general convention as aforesaid shall have been concluded under the auspices of the League of Nations, the Serb-Croat-Slovene State shall be at liberty at any time thereafter to give twelve months' notice to the Secretary-General of the League of Nations to terminate the obligations of this Article.

ARTICLE 16.

All rights and privileges accorded by the foregoing Articles to the Allied and Associated Powers shall be accorded equally to all States Members of the League of Nations.

The present Treaty, in French, in English and in Italian, of which in case of divergence the French text shall prevail, shall be ratified. It shall come into force at the same time as the Treaty of Peace with Austria.

The deposit of ratifications shall be made at Paris.

Powers of which the seat of the Government is outside Europe will be entitled merely to inform the Government of the French Republic through their diplomatic representative at Paris that their ratification has been given; in that case they must transmit the instrument of ratification as soon as possible.

A procès-verbal of the deposit of ratifications will be drawn up. •

The French Government will transmit to all the signatory Powers a certified copy of the procès-verbal of the deposit of ratifications.

In faith whereof the above-named Plenipotentiaries have signed the present Treaty.

Done at Saint-Germain-en-Laye, the tenth day of September, one thousand nine hundred and nineteen, in a single copy which will remain deposited in the archives of the French Republic, and of which

authenticated copies will be transmitted to each of the Signatory Powers.

(L.S.) FRANK L. POLK.
 (L.S.) HENRY WHITE.
 (L.S.) TASKER H. BLISS.
 (L.S.) ARTHUR JAMES BALFOUR.
 (L.S.)
 (L.S.) MILNER.
 (L.S.) GEO. N. BARNES.
 (L.S.) A. E. KEMP.
 (L.S.) G. F. PEARCE.
 (L.S.) MILNER.
 (L.S.) THOS. MACKENZIE.
 (L.S.) SINHA OF RAIPUR.

(L.S.) G. CLEMENCEAU.
 (L.S.) S. PICHON.
 (L.S.) L.-L. KLOTZ.
 (L.S.) ANDRÉ TARDIEU.
 (L.S.) JULES CAMBON.
 (L.S.) TOM. TITTONI.
 (L.S.) VITTORIO SCIALOJA.
 (L.S.) MAGGIORINO FERRARIS.
 (L.S.) GUGLIELMO MARCONI.
 (L.S.) S. CHINDA.
 (L.S.) K. MATSUI.
 (L.S.) H. IJUN.

III

TREATY BETWEEN THE PRINCIPAL ALLIED AND ASSOCIATED POWERS AND ROUMANIA¹

Signed at Paris, December 9, 1919.

THE UNITED STATES OF AMERICA, THE BRITISH EMPIRE, FRANCE, ITALY, AND JAPAN,

The Principal Allied and Associated Powers,

And ROUMANIA,

on the one hand ;

on the other hand ;

Whereas under Treaties to which the Principal Allied and Associated Powers are parties large accessions of territory are being and will be made to the Kingdom of Roumania, and

Whereas Roumania desires of her own free will to give full guarantees of liberty and justice to all inhabitants both of the old Kingdom of Roumania and of the territory added thereto, to whatever race, language or religion they may belong, and²

Have, after examining the question together, agreed to conclude the present Treaty, and for this purpose have appointed as their Plenipotentiaries, the following, reserving the right of substituting others to sign the Treaty :

THE PRESIDENT OF THE UNITED STATES OF AMERICA :

The Honourable Frank Lyon POLK, Under-Secretary of State ;

• The Honourable Henry WHITE, formerly Ambassador Extraordinary and Plenipotentiary of the United States at Rome and Paris ;

General Tasker H. BLISS, Military Representative of the United States on the Supreme War Council ;

¹ Treaty Series (1920), No. 6, Cmd. 588. NOTE.—This Treaty came into force before end of 1920. Cf. p. 166.

² This word is an obvious error in the text.

**HIS MAJESTY THE KING OF THE UNITED KINGDOM OF
GREAT BRITAIN AND IRELAND AND OF THE BRITISH
DOMINIONS BEYOND THE SEAS, EMPEROR OF INDIA:**

Sir Eyre CROWE, K.C.B., K.C.M.G., Minister Plenipotentiary,
Assistant Under-Secretary of State for Foreign Affairs :

And

for the **DOMINION of CANADA :**

The Honourable Sir George Halsey PERLEY, K.C.M.G., High
Commissioner for Canada in the United Kingdom ;

for the **COMMONWEALTH of AUSTRALIA :**

The Right Honourable Andrew FISHER, High Commissioner for
Australia in the United Kingdom ;

for the **DOMINION of NEW ZEALAND :**

The Honourable Sir Thomas MACENZIE, K.C.M.G., High
Commissioner for New Zealand in the United Kingdom ;

for the **UNION of SOUTH AFRICA :**

Mr. Reginald Andrew BLANKENBERG, O.B.E., Acting High
Commissioner for the Union of South Africa in the United
Kingdom ;

for **INDIA :**

Sir Eyre CROWE, K.C.B., K.C.M.G. ;

THE PRESIDENT OF THE FRENCH REPUBLIC :

Mr. Georges CLEMENCEAU, President of the Council, Minister of
War ;

Mr. Stephen PICHON, Minister for Foreign Affairs ;

Mr. Louis-Lucien KLOTZ, Minister of Finance ;

Mr. André TARDIEU, Minister for the liberated regions ;

Mr. Jules CAMBON, Ambassador of France ;

HIS MAJESTY THE KING OF ITALY :

Sir Giacomo de MARTINO, Envoy Extraordinary and Minister
Plenipotentiary ;

HIS MAJESTY THE EMPEROR OF JAPAN :

Mr. K. MATSUI, Ambassador Extraordinary and Plenipotentiary
of H.M. the Emperor of Japan at Paris ;

HIS MAJESTY THE KING OF ROUMANIA :

General Constantin COANDA, Corps Commander, A.D.C. to the
King, formerly President of the Council of Ministers ;

WHO HAVE AGREED AS FOLLOWS :

CHAPTER I

ARTICLE 1.

Roumania undertakes that the stipulations contained in Articles 2
to 8 of this Chapter shall be recognised as fundamental laws, and

that no law, regulation or official action shall conflict or interfere with these stipulations, nor shall any law, regulation or official action prevail over them.

ARTICLE 2.

Roumania undertakes to assure full and complete protection of life and liberty to all inhabitants of Roumania without distinction of birth, nationality, language, race or religion.

All inhabitants of Roumania shall be entitled to the free exercise, whether public or private, of any creed, religion or belief, whose practices are not inconsistent with public order and public morals.

ARTICLE 3.

Subject to the special provisions of the Treaties mentioned below, Roumania admits and declares to be Roumanian nationals *ipso facto* and without the requirement of any formality all persons habitually resident at the date of the coming into force of the present Treaty within the whole territory of Roumania, including the extensions made by the Treaties of Peace with Austria and Hungary, or any other extensions which may hereafter be made, if such persons are not at that date nationals of a foreign state other than Austria or Hungary.

Nevertheless, Austrian and Hungarian nationals who are over eighteen years of age will be entitled under the conditions contained in the said Treaties to opt for any other nationality which may be open to them. Option by a husband will cover his wife and option by parents will cover their children under eighteen years of age.

Persons who have exercised the above right to opt must within the succeeding twelve months transfer their place of residence to the State for which they have opted. They will be entitled to retain their immovable property in Roumanian territory. They may carry with them their movable property of every description. No export duties may be imposed upon them in connection with the removal of such property.

ARTICLE 4.

Roumania admits and declares to be Roumanian nationals *ipso facto* and without the requirement of any formality persons of Austrian¹ Hungarian nationality who were born in the territory transferred to Roumania by the Treaties of Peace with Austria and Hungary, or subsequently transferred to her, of parents habitually resident there, even if at the date of the coming into force of the present Treaty they are not themselves habitually resident there.

Nevertheless, within two years after the coming into force of the present Treaty, these persons may make a declaration before the competent Roumanian authorities in the country in which they are resident, stating that they abandon Roumanian nationality, and they will then cease to be considered as Roumanian nationals. In this connection a declaration by a husband will cover his wife, and a

¹ The word 'or' is evidently omitted here.

declaration by parents will cover their children under eighteen years of age.

ARTICLE 5.

Roumania undertakes to put no hindrance in the way of the exercise of the right which the persons concerned have, under the Treaties concluded or to be concluded by the Allied and Associated Powers with Austria or Hungary, to choose whether or not they will acquire Roumanian nationality.

ARTICLE 6.

All persons born in Roumanian territory who are not born nationals of another State shall *ipso facto* become Roumanian nationals.

ARTICLE 7.

Roumania undertakes to recognise as Roumanian nationals *ipso facto* and without the requirement of any formality Jews inhabiting any Roumanian territory, who do not possess another nationality.

ARTICLE 8.

All Roumanian nationals shall be equal before the law and shall enjoy the same civil and political rights without distinction as to race, language or religion.

Differences of religion, creed or confession shall not prejudice any Roumanian national in matters relating to the enjoyment of civil or political rights, as for instance admission to public employments, functions and honours, or the exercise of professions and industries.

No restriction shall be imposed on the free use by any Roumanian national of any language in private intercourse, in commerce, in religion, in the press or in publications of any kind, or at public meetings.

Notwithstanding any establishment by the Roumanian Government of an official language, adequate facilities shall be given to Roumanian nationals of non-Roumanian speech for the use of their language, either orally or in writing, before the courts.

ARTICLE 9.

Roumanian nationals who belong to racial, religious or linguistic minorities shall enjoy the same treatment and security in law and in fact as the other Roumanian nationals. In particular they shall have an equal right to establish, manage and control at their own expense charitable, religious and social institutions, schools and other educational establishments, with the right to use their own language and to exercise their religion freely therein.

ARTICLE 10.

Roumania will provide in the public educational system in towns and districts in which a considerable proportion of Roumanian nationals of other than Roumanian speech are resident adequate facilities for ensuring that in the primary schools the instruction shall be given to the children of such Roumanian nationals through the medium of their

own language. This provision shall not prevent the Roumanian Government from making the teaching of the Roumanian language obligatory in the said schools.

In towns and districts where there is a considerable proportion of Roumanian nationals belonging to racial, religious or linguistic minorities, these minorities shall be assured an equitable share in the enjoyment and application of the sums which may be provided out of public funds under the State, municipal or other budget, for educational, religious or charitable purposes.

ARTICLE 11.

Roumania agrees to accord to the communities of the Saxons and Czecklers in Transylvania local autonomy in regard to scholastic and religious matters, subject to the control of the Roumanian State.

ARTICLE 12.

Roumania agrees that the stipulations in the foregoing Articles, so far as they affect persons belonging to racial, religious or linguistic minorities, constitute obligations of international concern and shall be placed under the guarantee of the League of Nations. They shall not be modified without the assent of a majority of the Council of the League of Nations. The United States, the British Empire, France, Italy and Japan hereby agree not to withhold their assent from any modification in these Articles which is in due form assented to by a majority of the Council of the League of Nations.

Roumania agrees that any Member of the Council of the League of Nations shall have the right to bring to the attention of the Council any infraction, or any danger of infraction, of any of these obligations, and that the Council may thereupon take such action and give such direction as it may deem proper and effective in the circumstances.

Roumania further agrees that any difference of opinion as to questions of law or fact arising out of these Articles between the Roumanian Government and any one of the Principal Allied and Associated Powers or any other Power, a Member of the Council of the League of Nations, shall be held to be a dispute of an international character under Article 14 of the Covenant of the League of Nations. Roumania hereby consents that any such dispute shall, if the other party thereto demands, be referred to the Permanent Court of International Justice. The decision of the Permanent Court shall be final and shall have the same force and effect as an award under Article 13 of the Covenant.

CHAPTER II

ARTICLE 13.

Roumania undertakes to make no treaty, convention or arrangement and to take no other action which will prevent her from joining in any general convention for the equitable treatment of the commerce of other States that may be concluded under the auspices of the League of Nations within five years from the coming into force of the present Treaty.

Roumania also undertakes to extend to all the Allied and Associated Powers any favours or privileges in Customs matters which she may grant during the same period of five years to any State with which since August, 1914, the Allied and Associated Powers have been at war, or to any State which in virtue of Article 222 of the Treaty with Austria has special Customs arrangements with such States.

ARTICLE 14.

Pending the conclusion of the general convention referred to above, Roumania undertakes to treat on the same footing as national vessels or vessels of the most favoured nation the vessels of all the Allied and Associated Powers which accord similar treatment to Roumanian vessels. As an exception from this provision, the right of Roumania or of any other Allied or Associated Power to confine her maritime coasting trade to national vessels is expressly reserved.

ARTICLE 15.

Pending the conclusion under the auspices of the League of Nations of a general convention to secure and maintain freedom of communications and of transit, Roumania undertakes to accord freedom of transit to persons, goods, vessels, carriages, wagons and mails in transit to or from any Allied or Associated State over Roumanian territory, including territorial waters, and to treat them at least as favourably as the persons, goods, vessels, carriages, wagons and mails respectively of Roumanian or of any other more favoured nationality, origin, importation or ownership, as regards facilities, charges, restrictions and all other matters.

All charges imposed in Roumania on such traffic in transit shall be reasonable having regard to the conditions of the traffic. Goods in transit shall be exempt from all customs or other duties.

Tariffs for transit across Roumania and tariffs between Roumania and any Allied or Associated Power involving through tickets or way-bills shall be established at the request of the Allied or Associated Power concerned.

Freedom of transit will extend to postal, telegraphic and telephonic services.

Provided that no Allied or Associated Power can claim the benefit of these provisions on behalf of any part of its territory in which reciprocal treatment is not accorded in respect of the same subject-matter.

If within a period of five years from the coming into force of this Treaty no general convention as aforesaid shall have been concluded under the auspices of the League of Nations, Roumania shall be at liberty at any time thereafter to give twelve months' notice to the Secretary-General of the League of Nations to terminate the obligations of the present Article.

ARTICLE 16.

Pending the conclusion of a general convention on the international régime of waterways, Roumania undertakes to apply to such portions of the river system of the Pruth as may lie within, or form the boundary

of, her territory, the régime set out in the first paragraph of Article 382 and Articles 383 to 388 of the Treaty of Peace with Germany.

ARTICLE 17.

All rights and privileges accorded by the foregoing Articles to the Allied and Associated Powers shall be accorded equally to all States Members of the League of Nations.

The present Treaty, in French, in English and in Italian, of which in case of divergence the French text shall prevail, shall be ratified. It shall come into force at the same time as the Treaty of Peace with Austria.

The deposit of ratifications shall be made at Paris.

Powers of which the seat of the Government is outside Europe will be entitled merely to inform the Government of the French Republic through their diplomatic representative at Paris that their ratification has been given; in that case they must transmit the instrument of ratification as soon as possible.

A procès-verbal of the deposit of ratifications will be drawn up.

The French Government will transmit to all signatory Powers a certified copy of the procès-verbal of the deposit of ratifications.

Done at Paris, the ninth day of December one thousand nine hundred and nineteen, in a single copy which will remain deposited in the archives of the Government of the French Republic, and of which authenticated copies will be transmitted to each of the Signatory Powers.

Plenipotentiaries who in consequence of their temporary absence from Paris have not signed the present Treaty may do so up to December 20, 1919.

IN FAITH WHEREOF the hereinafter-named Plenipotentiaries, whose powers have been found in good and due form, have signed the present Treaty.

(L.S.) FRANK L. POLK.
 (L.S.) HENRY WHITE.
 (L.S.) TASKER H. BLISS.
 (L.S.) EYRE A. CROWE.
 (L.S.) GEORGE H. PERLEY.
 (L.S.) ANDREW FISHER.
 (L.S.) THOMAS MACKENZIE.
 (L.S.) R. A. BLANKENBERG.
 (L.S.) EYRE A. CROWE.

(L.S.) G. CLEMENCEAU.
 (L.S.) S. PICHON.
 (L.S.) L. -L. KLOTZ.
 (L.S.) ANDRÉ TARDIEU.
 (L.S.) JULES CAMBON.
 (L.S.) G. DE MARTINO.
 (L.S.) K. MATSUI.
 (L.S.) GL. C. COANDA.

IV

(A)

TREATY BETWEEN THE PRINCIPAL ALLIED AND ASSOCIATED POWERS AND CZECHO-SLOVAKIA¹*Signed at Saint-Germain-en-Laye, September 10, 1919.*

**THE UNITED STATES OF AMERICA, THE BRITISH EMPIRE,
FRANCE, ITALY, AND JAPAN,**
the Principal Allied and Associated Powers,

on the one hand :

And **CZECHO-SLOVAKIA,**

on the other hand ;

Whereas the union which formerly existed between the old Kingdom of Bohemia, the Markgraviate of Moravia and the Duchy of Silesia on the one hand and the other territories of the former Austro-Hungarian Monarchy on the other has definitely ceased to exist, and

Whereas the peoples of Bohemia, of Moravia and of part of Silesia, as well as the peoples of Slovakia, have decided of their own free will to unite, and have in fact united, in a permanent union for the purpose of forming a single sovereign independent State under the title of the Czecho-Slovak Republic, and

Whereas the Ruthene peoples to the south of the Carpathians have adhered to this union, and

Whereas the Czecho-Slovak Republic in fact exercises sovereignty over the aforesaid territories and has already been recognized as a sovereign independent State by the other High Contracting Parties,

The United States of America, the British Empire, France, Italy and Japan on the one hand, confirming their recognition of the Czecho-Slovak State as a sovereign and independent member of the Family of Nations within the boundaries which have been or may be determined in accordance with the terms of the Treaty of Peace with Austria of even date ;

Czecho-Slovakia on the other hand, desiring to conform her institutions to the principles of liberty and justice, and to give a sure guarantee to all the inhabitants of the territories over which she has assumed sovereignty ;

The High Contracting Parties, anxious to assure the execution of Article 57 of the said Treaty of Peace with Austria,

Have for this purpose named as their Plenipotentiaries, that is to say, :

THE PRESIDENT OF THE UNITED STATES OF AMERICA :

The Honourable Frank Lyon Polk, Under-Secretary of State ;

The Honourable Henry White, formerly Ambassador Extra-

¹ Treaty Series (1919), No. 20, Cmd. 479. NOTE.—This Treaty came into force before end of 1920. Cf. p. 166.

ordinary and Plenipotentiary of the United States at Rome and Paris ;

General Tasker H. BLISS, Military Representative of the United States on the Supreme War Council ;

HIS MAJESTY THE KING OF THE UNITED KINGDOM OF GREAT BRITAIN AND IRELAND AND OF THE BRITISH DOMINIONS BEYOND THE SEAS, EMPEROR OF INDIA :

The Right Honourable Arthur James BALFOUR, O.M., M.P.,
His Secretary of State for Foreign Affairs ;

The Right Honourable Andrew BONAR LAW, M.P., His Lord
Privy Seal ;

The Right Honourable Viscount MILNER, G.C.B., G.C.M.G.,
His Secretary of State for the Colonies ;

The Right Honourable George Nicoll BARNES, M.P., Minister
without portfolio ;

And

for the DOMINION of CANADA :

The Honourable Sir Albert Edward KEMP, K.C.M.G., Minister
of the Overseas Forces ;

for the COMMONWEALTH of AUSTRALIA :

The Honourable George Foster PEARCE, Minister of Defence ;

for the UNION of SOUTH AFRICA :

The Right Honourable Viscount MILNER, G.C.B., G.C.M.G. ;

for the DOMINION of NEW ZEALAND :

The Honourable Sir Thomas MACKENZIE, K.C.M.G., High
Commissioner for New Zealand in the United Kingdom ;

for INDIA :

The Right Honourable Baron Sinha, K.C., Under-Secretary of
State for India ;

THE PRESIDENT OF THE FRENCH REPUBLIC :

Mr. Georges CLEMENCEAU, President of the Council, Minister
of War ;

Mr. Stephen PICHON, Minister for Foreign Affairs ;

Mr. Louis-Lucien KLOTZ, Minister of Finance ;

Mr. André TARDIEU, Commissary General for Franco-American
Military Affairs ;

Mr. Jules CAMBON, Ambassador of France ;

HIS MAJESTY THE KING OF ITALY :

The Honourable Tommaso TITTONI, Senator of the Kingdom,
Minister for Foreign Affairs ;

The Honourable Vittorio SCIALOJA, Senator of the Kingdom ;

The Honourable Maggiorino FERRARIS, Senator of the Kingdom ;

The Honourable Guglielmo MARCONI, Senator of the Kingdom ;

The Honourable Silvio CRESPI, Deputy ;

HIS MAJESTY THE EMPEROR OF JAPAN :

Viscount CHINDA, Ambassador Extraordinary and Plenipoten-
tiary of H.M. the Emperor of Japan at London ;

Mr. K. MATSUI, Ambassador Extraordinary and Plenipotentiary of H.M. the Emperor of Japan at Paris ;

Mr. H. IJUIN, Ambassador Extraordinary and Plenipotentiary of H.M. the Emperor of Japan at Rome ;

THE PRESIDENT OF THE CZECHO-SLOVAK REPUBLIC, by :
Mr. Karel KRAMÁŘ, President of the Council of Ministers ;
Mr. Edward BENEŠ, Minister for Foreign Affairs ;

Who, after having exchanged their full powers, found in good and due form, have agreed as follows :

CHAPTER I

ARTICLE 1.

Czecho-Slovakia undertakes that the stipulations contained in Articles 2 to 8 of this Chapter shall be recognised as fundamental laws and that no law, regulation or official action shall conflict or interfere with these stipulations, nor shall any law, regulation or official action prevail over them.

ARTICLE 2.

Czecho-Slovakia undertakes to assure full and complete protection of life and liberty to all inhabitants of Czecho-Slovakia without distinction of birth, nationality, language, race or religion.

All inhabitants of Czecho-Slovakia shall be entitled to the free exercise, whether public or private, of any creed, religion or belief, whose practices are not inconsistent with public order or public morals.

ARTICLE 3.

Subject to the special provisions of the Treaties mentioned below Czecho-Slovakia admits and declares to be Czecho-Slovak nationals *ipso facto* and without the requirement of any formality German, Austrian or Hungarian nationals habitually resident or possessing rights of citizenship (*pertinenza—Heimatsrecht*) as the case may be at the date of the coming into force of the present Treaty in territory which is or may be recognized as forming part of Czecho-Slovakia under the Treaties with Germany, Austria or Hungary respectively, or under any Treaties which may be concluded for the purpose of completing the present settlement.

Nevertheless, the persons referred to above who are over eighteen years of age will be entitled under the conditions contained in the said Treaties to opt for any other nationality which may be open to them. Option by a husband will cover his wife, and option by parents will cover their children under eighteen years of age.

Persons who have exercised the above right to opt must within the succeeding twelve months transfer their place of residence to the State for which they have opted. They will be entitled to retain their immovable property in Czecho-Slovak territory. They may carry with them their movable property of every description. No export duties may be imposed upon them in connexion with the removal of such property.

THE MINORITY TREATIES

ARTICLE 4.

Czecho-Slovakia admits and declares to be Czecho-Slovak nationals *ipso facto* and without the requirement of any formality persons of German, Austrian or Hungarian nationality who were born in the territory referred to above of parents habitually resident or possessing rights of citizenship (*pertinenza*—*Heimatsrecht*) as the case may be there, even if at the date of the coming into force of the present Treaty they are not themselves habitually resident or did not possess rights of citizenship there.

Nevertheless, within two years after the coming into force of the present Treaty, these persons may make a declaration before the competent Czecho-Slovak authorities in the country in which they are resident, stating that they abandon Czecho-Slovak nationality, and they will then cease to be considered as Czecho-Slovak nationals. In this connexion a declaration by a husband will cover his wife, and a declaration by parents will cover their children under eighteen years of age.

ARTICLE 5.

Czecho-Slovakia undertakes to put no hindrance in the way of the exercise of the right which the persons concerned have under the Treaties concluded or to be concluded by the Allied and Associated Powers with Germany, Austria or Hungary to choose whether or not they will acquire Czecho-Slovak nationality.

ARTICLE 6.

All persons born in Czecho-Slovak territory who are not born nationals of another State shall *ipso facto* become Czecho-Slovak nationals.

ARTICLE 7.

All Czecho-Slovak nationals shall be equal before the law and shall enjoy the same civil and political rights without distinction as to race, language or religion.

Differences of religion, creed or confession shall not prejudice any Czecho-Slovak national in matters relating to the enjoyment of civil or political rights, as for instance admission to public employments, functions and honours, or the exercise of professions and industries.

No restriction shall be imposed on the free use by any Czecho-Slovak national of any language in private intercourse, in commerce, in religion, in the press or publications of any kind, or at public meetings.

Notwithstanding any establishment by the Czecho-Slovak Government of an official language, adequate facilities shall be given to Czecho-Slovak nationals of non-Czech speech for the use of their language, either orally or in writing, before the courts.

ARTICLE 8.

Czecho-Slovak nationals who belong to racial, religious or linguistic minorities shall enjoy the same treatment and security in law and in fact as the other Czecho-Slovak nationals. In particular they shall have an equal right to establish, manage and control at their own

expense charitable, religious and social institutions, schools and other educational establishments, with the right to use their own language and to exercise their religion freely therein.

ARTICLE 9.

Czecho-Slovakia will provide in the public educational system in towns and districts in which a considerable proportion of Czecho-Slovak nationals of other than Czech speech are residents adequate facilities for ensuring that the instruction shall be given to the children of such Czecho-Slovak nationals through the medium of their own language. This provision shall not prevent the Czecho-Slovak Government from making the teaching of the Czech language obligatory.

In towns and districts where there is a considerable proportion of Czecho-Slovak nationals belonging to racial, religious or linguistic minorities, these minorities shall be assured an equitable share in the enjoyment and application of the sums which may be provided out of public funds under the State, municipal or other budget, for educational, religious or charitable purposes.

CHAPTER II

ARTICLE 10.

Czecho-Slovakia undertakes to constitute the Ruthene territory south of the Carpathians within frontiers delimited by the Principal Allied and Associated Powers as an autonomous unit within the Czecho-Slovak State, and to accord to it the fullest degree of self-government compatible with the unity of the Czecho-Slovak State.

ARTICLE 11.

The Ruthene territory south of the Carpathians shall possess a special Diet. This Diet shall have powers of legislation in all linguistic, scholastic and religious questions, in matters of local administration, and in other questions which the laws of the Czecho-Slovak State may assign to it. The Governor of the Ruthene territory shall be appointed by the President of the Czecho-Slovak Republic and shall be responsible to the Ruthene Diet.

ARTICLE 12.

Czecho-Slovakia agrees that officials in the Ruthene territory will be chosen as far as possible from the inhabitants of this territory.

ARTICLE 13.

Czecho-Slovakia guarantees to the Ruthene territory equitable representation in the legislative assembly of the Czecho-Slovak Republic, to which Assembly it will send deputies elected according to the constitution of the Czecho-Slovak Republic. These deputies will not, however, have the right of voting in the Czecho-Slovak Diet upon legislative questions of the same kind as those assigned to the Ruthene Diet.

ARTICLE 14.

Czecho-Slovakia agrees that the stipulations of Chapters I and II so far as they affect persons belonging to racial, religious or linguistic

minorities constitute obligations of international concern and shall be placed under the guarantee of the League of Nations. They shall not be modified without the assent of a majority of the Council of the League of Nations. The United States, the British Empire, France, Italy and Japan hereby agree not to withhold their assent from any modification in these Articles which is in due form assented to by a majority of the Council of the League of Nations.

Czecho-Slovakia agrees that any Member of the Council of the League of Nations shall have the right to bring to the attention of the Council any infraction, or any danger of infraction, of any of these obligations, and that the Council may thereupon take such action and give such direction as it may deem proper and effective in the circumstances.

Czecho-Slovakia further agrees that any difference of opinion as to questions of law or fact arising out of these Articles between the Czecho-Slovak Government and any one of the Principal Allied and Associated Powers, or any other Power a Member of the Council of the League of Nations, shall be held to be a dispute of an international character under Article 14 of the Covenant of the League of Nations. The Czecho-Slovak Government hereby consents that any such dispute shall, if the other party hereto demands, be referred to the Permanent Court of International Justice. The decision of the Permanent Court shall be final and shall have the same force and effect as an award under Article 18 of the Covenant.

CHAPTER III

ARTICLE 15.

Each of the Principal Allied and Associated Powers on the one part and Czecho-Slovakia on the other shall be at liberty to appoint diplomatic representatives to reside in their respective capitals, as well as Consuls-General, Consuls, Vice-Consuls and Consular agents to reside in the towns and ports of their respective territories.

Consuls-General, Consuls, Vice-Consuls and Consular agents, however, shall not enter upon their duties until they have been admitted in the usual manner by the Government in the territory of which they are stationed.

Consuls-General, Consuls, Vice-Consuls and Consular agents shall enjoy all the facilities, privileges, exemptions and immunities of every kind which are or shall be granted to consular officers of the most favoured nation.

ARTICLE 16.

Pending the establishment of an import tariff by the Czecho-Slovak Government, goods originating in the Allied or Associated States shall not be subject to any higher duties on importation into Czecho-Slovakia than the most favourable rates of duty applicable to goods of the same kind under the Austro-Hungarian Customs Tariff on July 1, 1914.

ARTICLE 17.

Czecho-Slovakia undertakes to make no treaty, convention or arrangement and to take no other action which will prevent her from joining in any general agreement for the equitable treatment of the commerce of other States that may be concluded under the auspices of the League of Nations within five years from the coming into force of the present Treaty.

Czecho-Slovakia also undertakes to extend to all the Allied and Associated States any favours or privileges in customs matters which it may grant during the same period of five years to any State with which since August, 1914, the Allied and Associated States have been at war, other than favours or privileges which may be granted under the special customs arrangements provided for in Article 222 of the Treaty of Peace of even date with Austria.

ARTICLE 18.

Pending the conclusion of the general agreement referred to above, Czecho-Slovakia undertakes to treat on the same footing as national vessels or vessels of the most favoured nation the vessels of all the Allied and Associated States which accord similar treatment to Czecho-Slovak vessels.

ARTICLE 19.

Pending the conclusion under the auspices of the League of Nations of a general convention to secure and maintain freedom of communications and of transit, Czecho-Slovakia undertakes to accord freedom of transit to persons, goods, vessels, carriages, wagons and mails in transit to or from any Allied or Associated State over Czecho-Slovak territory, and to treat them at least as favourably as the persons, goods, vessels, carriages, wagons and mails respectively of Czecho-Slovak or of any other more favoured nationality, origin, importation or ownership as regards facilities, charges, restrictions, and all other matters.

All charges imposed in Czecho-Slovakia on such traffic in transit shall be reasonable having regard to the conditions of the traffic. Goods in transit shall be exempt from all customs or other duties.

Tariffs for transit traffic across Czecho-Slovakia and tariffs between Czecho-Slovakia and any Allied or Associated Power involving through tickets or waybills shall be established at the request of that Allied or associated Power.

Freedom of transit will extend to postal, telegraphic and telephonic services.

Provided that no Allied or Associated Power can claim the benefit of these provisions on behalf of any part of its territory in which reciprocal treatment is not accorded in respect of the same subject-matter.

If within a period of five years from the coming into force of the present Treaty no general convention as aforesaid shall have been concluded under the auspices of the League of Nations, Czecho-Slovakia shall be at liberty at any time thereafter to give twelve months' notice to the Secretary-General of the League of Nations to terminate the obligations of the present Article.

THE MINORITY TREATIES

ARTICLE 20.

Czecho-Slovakia undertakes to adhere within twelve months of the coming into force of the present Treaty to the International Conventions specified in Annex I.

Czecho-Slovakia undertakes to adhere to any new Convention, concluded with the approval of the Council of the League of Nations within five years of the coming into force of the present Treaty, to replace any of the international instruments specified in Annex I.

The Czecho-Slovak Government undertakes within twelve months to notify the Secretary-General of the League of Nations whether or not Czecho-Slovakia desires to adhere to either or both of the International Conventions specified in Annex II.

Until Czecho-Slovakia has adhered to the two Conventions last specified in Annex I, she agrees, on condition of reciprocity, to protect by effective measures the industrial, literary, and artistic property of nationals of the Allied and Associated States. In the case of any Allied or Associated State not adhering to the said Conventions Czecho-Slovakia agrees to continue to afford such effective protection on the same conditions until the conclusion of a special bilateral treaty or agreement for that purpose with such Allied or Associated State.

Pending her adhesion to the other Conventions specified in Annex I, Czecho-Slovakia will secure to the nationals of the Allied and Associated Powers the advantages to which they would be entitled under the said Conventions.

Czecho-Slovakia further agrees, on condition of reciprocity, to recognise and protect all rights in any industrial, literary or artistic property belonging to the nationals of the Allied and Associated States in force or which but for the war would have been in force, in any part of her territory. For such purpose she will accord the extensions of time agreed to in Articles 259 and 260 of the Treaty of Peace with Austria.

Annex I

POSTAL CONVENTIONS

Conventions and agreements of the Universal Postal Union signed at Vienna, July 4, 1891.

Conventions and agreements of the Postal Union signed at Washington, June 15, 1897.

Conventions and agreements of the Postal Union signed at Rome, May 26, 1906.

TELEGRAPHIC AND RADIO-TELEGRAPHIC CONVENTIONS

International Telegraphic Convention signed at St. Petersburg, July 10/22, 1875.

• Regulations and Tariffs drawn up by the International Telegraph Conference of Lisbon, June 11, 1908.

International Radio-Telegraphic Convention, July 5, 1912.

RAILWAY CONVENTIONS

Conventions and arrangements signed at Berne on October 14, 1890, September 20, 1893, July 16, 1895, June 16, 1898, and September 19, 1906, and the current supplementary provisions made under those Conventions.

Agreement of May 15, 1886, regarding the sealing of railway trucks subject to customs inspection, and Protocol of May 15, 1907.

• • Agreement of May 15, 1886, regarding the technical standardisation of railways, as modified on May 18, 1907.

SANITARY CONVENTIONS

Conventions of Paris and Vienna of April 3, 1894, March 19, 1897, and December 3, 1903.

OTHER CONVENTIONS

Convention of September 26, 1906, for the suppression of night work for women.

Convention of September 26, 1906, for the suppression of the use of white phosphorus in the manufacture of matches.

Conventions of May 18, 1904, and May 4, 1910, regarding the suppression of the White Slave Traffic.

• Convention of May 4, 1910, regarding the suppression of obscene publications.

International Convention of Paris of March 20, 1883, as revised at Washington in 1911, for the protection of industrial property.

International Convention of Berne of September 9, 1886, revised at Berlin on November 13, 1908, and completed by the Additional Protocol signed at Berne on March 20, 1914, for the protection of literary and artistic works.

Annex II

Agreement of Madrid of April 14, 1891, for the Prevention of False Indications of origin on goods, revised at Washington in 1911.

Agreement of Madrid of April 14, 1891, for the international registration of trade marks, revised at Washington in 1911.

ARTICLE 21.

All rights and privileges accorded by the foregoing Articles to the Allied and Associated States shall be accorded equally to all States Members of the League of Nations.

The present Treaty, in French, in English and in Italian, of which the French text shall prevail in case of divergence, shall be ratified. It shall come into force at the same time as the Treaty of Peace with Austria.

The deposit of ratifications shall be made at Paris.

Powers of which the seat of the Government is outside Europe will be entitled merely to inform the Government of the French Republic through their diplomatic representative at Paris that their ratification has been given; in that case they must transmit the instrument of ratification as soon as possible.

A procès-verbal of the deposit of ratifications will be drawn up.

The French Government will transmit to all the Signatory Powers a certified copy of the procès-verbal of the deposit of ratifications.

In faith whereof the above-named Plenipotentiaries have signed the present Treaty.

Done at Saint-Germain-en-Laye, the tenth day of September, one thousand nine hundred and nineteen, in a single copy which will remain

deposited in the archives of the French Republic, and of which authenticated copies will be transmitted to each of the Signatory Powers.

(L.S.) FRANK L. POLK.	(L.S.) S. PICHON.
(L.S.) HENRY WHITE.	(L.S.) L.-L. KLOTZ.
(L.S.) TASKER H. BLISS.	(L.S.) ANDRÉ TARDIEU.
(L.S.) ARTHUR JAMES BALFOUR.	(L.S.) JULES CAMBON.
(L.S.) MILNER.	(L.S.) TOM. TITTONI.
(L.S.) GEO. N. BARNES.	(L.S.) VITTORIO SCIALOJA.
(L.S.) A. E. KEMP.	(L.S.) MAGGIORINO FERRARIS
(L.S.) G. F. PEARCE.	(L.S.) GUGLIELMO MARCONI.
(L.S.) MILNER.	(L.S.) S. CHINDA.
(L.S.) THOS. MACKENZIE.	(L.S.) K. MATSUI.
(L.S.) SINHA OF RAIPUR.	(L.S.) H. IJUN.
(L.S.) G. CLEMENCEAU.	(L.S.) D. KAREL KRAMAŘ.
	(L.S.) DR. EDUARD BENEŠ.

(B)

CZECHO-SLOVAK LANGUAGE LAW OF 29th FEBRUARY,
1920¹

1. 'The Czecho-Slovak language is the state (official) language of the Republic.' This clause of course represents a legal fiction, since there is no such thing as a Czecho-Slovak language, but only two intimately related dialects, enjoying full parity in the administration, justice and education. As, however, the name 'Czecho-Slovak' had won general recognition and already stood as the symbol of unity, it appears to have been felt that to refer to the 'Czech and Slovak language' or 'languages' would have been not only a contradiction in terms, but actually a step away from fusion.

2. In districts containing a racial minority of at least 20 per cent., the authorities are bound to transact business with any of its members in their own language, and to issue all proclamations and official notices in the language of the minority as well as in Czecho-Slovak. The Public Prosecutor is bound to bring his indictment in the language of the accused.

3. The authorities are everywhere bound to accept oral and written communications in the Czecho-Slovak language and to sanction its use at any meeting: in other languages, only where these are spoken by 20 per cent. of the population of the particular district.

4. Czech and Slovak are treated as alternative.

5. The mother-tongue is to be the language of instruction in all minority schools.

6. Linguistic provisions for Carpatho-Ruthenia are provisional, until its provincial Diet can meet and decide the question.

7. Linguistic disputes are to be decided as ordinary matters of administrative inquiry.

8. Practical executive details are to be issued by decree.

¹ See Vol. IV, Chap. IV, pt. III, pp. 266-7.

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TOPICAL INDEX TO AUSTRIAN, HUNGARIAN AND BULGARIAN TREATIES

ABBREVIATIONS

A. = Austrian Treaty.
A. & A.P. = Allied and Associated Powers.
Ann. = Annex.
B. = Bulgarian Treaty.
Cov. = Covenant of League, in all
Treaties (Text in Vol. III, pp. 111-
23).
H. = Hungarian Treaty.
Lab. = Labour. International Clauses of,
in all Treaties (Text in Vol. III,
pp. 314-28).

L. of N. = League of Nations.
P.A. & A.P. = Principal Allied and
Associated Powers.
Pre. = Preamble (to one or other
Treaty).
S.C.S. = Ser¹ Croat-Slovene Kingdom.
Note. Reference is to Articles in each
Treaty, not to pages.
Thus B. 166 = Bulgarian Treaty,
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